

COVER SHEET

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S.E.C. Registration Number

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(Company's Full Name)

7	9			E	D	S	A	,		H	I	G	H	W	A	Y		H	I	L	L	S	,						
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(Business Address; No. Street City / Town / Province)

c/o Atty. Katrina O. Clemente-Lua

Contact Person

7918-8188

Company Telephone Number

Preliminary Information Statement

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Month

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Day

Fiscal Year

	P	I	S	
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FORM TYPE

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Month

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Day

Annual Meeting

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Secondary License Type; If Applicable

M	S	R	D
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Dept. Requiring this Doc.

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Amended Articles Number / Section

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Total No. of Stockholders

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Domestic

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Foreign

To be accomplished by SEC Personnel concerned

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File Number

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Document I.D.

_____ Cashier

STAMPS

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NOTICE OF ANNUAL STOCKHOLDERS' MEETING

TO ALL STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the Annual Stockholders' Meeting of **FILINVEST LAND, INC.** ("FLI"), the "Corporation" or the "Company") will be conducted virtually on **24 April 2025 (Thursday)¹ at 3:00 p.m.**, at which meeting the following matters shall be taken up:

- I. Call to Order
- II. Proof of Notice of Meeting
- III. Certification of Quorum
- IV. Approval of the Minutes of the Annual Stockholders' Meeting held on 19 April 2024
- V. Presentation of the Management Report
- VI. Ratification of the Audited Financial Statements for the year ended 31 December 2024
- VII. Ratification of the Acts and Resolutions of the Board of Directors, Board Committees and Management from the Date of the Last Annual Stockholders' Meeting up to 24 April 2025
- VIII. Election of the Members of the Board of Directors, including three (3) Independent Directors, to serve for 2025-2026
- IX. Appointment of the External Auditor
- X. Other Matters
- XI. Adjournment

Pursuant to the provisions of the Company's Amended By-Laws, the Board of Directors during its meeting held on 24 January 2025 resolved that the Annual Stockholders' Meeting be held in a virtual format. As such, the stockholders may attend the said meeting only by remote communication, by voting in absentia or through proxy.

Only Stockholders of Record as of 5:00 PM of 28 February 2025 shall be entitled to vote at this meeting. Votes cast remotely or *in absentia* should be received by the Corporation on or before 14 April 2025.

Stockholders who wish to vote by proxy shall submit the same on or before 14 April 2025 to the Office of the Corporate Secretary, located at the Filinvest Building, 79 EDSA,

¹ Should the date of Annual Stockholders' Meeting ("ASM") be declared a legal holiday, the ASM will be held on the next succeeding business day, at the same time (3:00p.m.)

Highway Hills, Mandaluyong City 1550, Metro Manila, or by email to FLIASM@filinvestland.com.

A proxy submitted by a corporation should be accompanied by a Corporate Secretary's Certificate quoting the board resolution designating a corporate officer to execute the proxy. In addition to the above requirement for corporations, a proxy form given by a broker or custodian bank in respect of shares of stock carried by such broker or custodian bank for the account of the beneficial owner must be accompanied by a certification under oath stating that the broker or custodian bank has obtained the written consent of the account holder.

PLEASE NOTE THAT THE CORPORATION IS NOT SOLICITING PROXIES.

The Corporation's Information Statement, Management Report, and 2024 Audited Financial Statements will be made available in the Company's website at <https://www.filinvestland.com> and in the Philippine Stock Exchange EDGE disclosure system no later than 28 March 2025.

Please be guided accordingly.


JENNIFER C. LEE
Assistant Corporate Secretary

EXPLANATION OF AGENDA ITEMS FOR STOCKHOLDERS' APPROVAL AND/OR RATIFICATION

Call to Order

The Chairman will formally commence the meeting at approximately 3:00 p.m. on 24 April 2025.

Proof of Notice and Certification of Quorum

The Corporate Secretary will certify that notice of the meeting was duly sent to the stockholders and that a quorum exists for the valid transaction of business.

Pursuant to Sections 23 and 57 of the Revised Corporation Code and SEC Memorandum Circular No. 6, Series of 2020 which provide for remote attendance and voting *in absentia* in stockholders' meetings, the Company has set up a system and process to allow stockholders to register and vote *in absentia* on the matters in the agenda. Only stockholders who successfully registered in the stockholder registration system, together with those who voted in absentia or by proxy, will be included in determining the existence of a quorum.

The following are the procedures for the meeting:

- Stockholders who wish to appoint the Chairman as proxy may submit the same on or before 14 April 2025 to the Office of the Corporate Secretary, located at the Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila, or by email to FLIASM@filinvestland.com.
- Stockholders who wish to attend the meeting via remote communication and/or vote *in absentia* must register at the following web address: https://shareholders.filinvest.com.ph/FLI_SHAREHOLDERSYSTEM. After validation, the stockholders will receive an email with instructions on how to access the voting ballot and the meeting. The details of the process are provided in the Information Statement.
- The votes will be tabulated by the Office of the Corporate Secretary and the stock transfer agent. The results will be reported in the meeting.
- Any comments and questions on the agenda should be emailed to FLIASM@filinvestland.com on or before 14 April 2025. The Board of Directors and/or officers will endeavor to answer these questions during the meeting. Due to time constraints, any questions that will not be addressed during the meeting may be answered by email.
- There will be an audio and visual recording of the meeting.

Approval of the Minutes of the Annual Stockholders' Meeting held on 19 April 2024

The minutes of the meeting held on 19 April 2024 can be viewed at the Company's website, https://filinvestland.com/sites/default/files/pdf_files/FLI%20Minutes%202024%20ASM_2024.4.19%20%28for%20uploading%29%20%28signed%20by%20KCL%29_0.pdf. A copy of the minutes is also attached as **Annex "D"** of the Information Statement.

Presentation of the Management Report

The President and Chief Executive Officer, Mr. Tristaneil D. Las Marias, will report on the Company's 2024 performance and the outlook for this year.

Ratification of the Audited Financial Statements for the year ended 31 December 2024

The Company's Audited Financial Statements is subject for ratification of the stockholders. The Audited Financial Statements ("AFS") refer to the financial operations, balance sheet and income statement of FLI as of and for the year ended 31 December 2024. The Company's AFS for 2024 is attached as **Annex "B"** of the Information Statement and will be made available on the Company's website.

Ratification of the Acts and Resolutions of the Board of Directors, Board Committees and Management from the Date of the Last Annual Stockholders' Meeting up to 24 April 2025

The acts of the Board of Directors and its committees, officers and management of the Company that are subject for ratification are those that were adopted since the last annual meeting up to 24 April 2025, as duly recorded in the corporate books. These acts include the approval of contracts and agreements, application for government permits and licenses, appointment of officers, designation of authorized representatives, and other transactions in the general conduct of business. The summary of the major resolutions approved and adopted by the Board and the Board Committees are discussed in the Information Statement.

Election of the Members of the Board of Directors, including three (3) Independent Directors, to serve for 2025-2026

In accordance with the Company's Revised Manual on Corporate Governance and By-Laws, the stockholders must elect the members of the Board of Directors of the Company comprised of nine (9) directors, including three (3) independent directors, who shall hold office for a term of one (1) year, or until their successors shall have been duly elected and qualified. There will be an election of the members of the Board during the Annual Stockholders' Meeting to serve for the year 2025 to 2026.

The Corporate Governance Committee, convened as the Nominations Committee, evaluated the nominees to the Board, including the three (3) nominees for independent directors, and determined whether they have all the qualifications and none of the disqualifications to serve in the Board. The Final List of Candidates and the qualifications of each nominee director are discussed in the Information Statement.

Appointment of the External Auditor

The Audit and Risk Management Oversight Committee and the Board endorsed to the stockholders the re-appointment of SGV & Co. as the external auditor for the ensuing year. The details of the external auditor will be provided in the Information Statement.

Consideration of Other Matters as may be properly submitted

The Chairperson will open the floor for comments and questions by the stockholders, as may have been submitted on or before 14 April 2025.

PROXY

The undersigned stockholder of **FILINVEST LAND, INC.** (the “Company”) hereby appoints _____, or in his/her absence, the Chairman of the meeting as attorney-in-fact and proxy, to represent and vote all shares registered in his/her/its name at the annual meeting of stockholders of the Company on April 24, 2025, and at any of the adjournments thereof for the purpose of acting on the following matters:

- | 1. Approval of minutes of previous meeting
☐ For ☐ Against ☐ Abstain | 5. Appointment of SyCip Gorres Velayo & Co. as External Auditor
☐ For ☐ Against ☐ Abstain | | |
|---|---|-----------------|--|
| 2. Ratification of the 2024 Audited Financial Statements
☐ For ☐ Against ☐ Abstain | 6. At his/her discretion, the proxy named above is authorized to vote upon such other matters as may properly come before the meeting
☐ Yes ☐ No | | |
| 3. Ratification of the acts and resolutions of the Board of Directors, board committees and management
☐ For ☐ Against ☐ Abstain | | | |
| 4. Election of Directors
☐ Distribute all my votes equally among the nine (9) nominees
☐ Abstain
☐ Allocate my votes for each nominee as follows:
<table border="0"><thead><tr><th>Nominee</th><th>Number of Votes</th></tr></thead></table> | Nominee | Number of Votes | |
| Nominee | Number of Votes | | |

PRINTED NAME OF STOCKHOLDER

SIGNATURE OF STOCKHOLDER/
AUTHORIZED SIGNATORY

DATE

Jonathan T. Gotianun

Lourdes Josephine Gotianun Yap

Tristaneil D. Las Marias

Michael Edward T. Gotianun

Francis Nathaniel C. Gotianun

Rhoda A. Huang

Independent Directors:

Ernesto S. De Castro

Gemilo J. San Pedro

Ephyro Luis Amatong

A scanned copy of this proxy should be received by the Corporate Secretary at FLIASM@filinvestland.com on or before April 14, 2025, the deadline for submission of proxies. For corporate stockholders, please attach to this proxy form the Secretary's Certificate on the authority of the signatory to appoint the proxy and sign this form.

This proxy, when properly executed, will be voted in the manner as directed herein by the stockholder(s). If no direction is made, this proxy will be voted “Yes” for the approval of the matters stated above and for such other matters as may properly come before the meeting in the manner described in the information statement and/or as recommended by Management or the Board of Directors of the Company. A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised. A proxy is also considered revoked if the stockholder registers on the voting in absentia system. Stockholders participating by remote communication will not be able to vote unless they register at https://shareholders.filinvest.com.ph/FLI_SHAREHOLDERSYSTEM or authorize the Chairman to vote as proxy, on or before April 14, 2025.

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

**INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE**

1. Check the appropriate box:

☒ Preliminary Information Statement

☐ Definitive Information Statement

2. Name of Registrant as specified in its charter: **Filinvest Land, Inc.**

3. Province, country or other jurisdiction of incorporation or organization: **Philippines**

4. SEC Identification Number: **170957**

5. BIR Tax Identification Code: **000 - 533 - 224**

6. Address of principal office: **Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City, Metro Manila**

Postal Code: **1550**

7. Registrant's telephone number, including area code: **(02) 7918 8188**

8. Date, time and place of the meeting of security holders:

Date: **24 April 2025¹**

Time: **3:00 p.m.**

Place: **No physical meeting**

Online web address for registration for remote participation and voting:

https://shareholders.filinvest.com.ph/FLI_SHAREHOLDERSYSTEM

9. Approximate date on which the Information Statement is first to be sent or given to security holders:

On or before 28 March 2025

10. Securities registered pursuant to Sections 8 and 12 of the Securities Regulation Code or Sections 4 and 8 of the Revised Securities Act (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Common Shares of Stock Outstanding	Amount of Debt Outstanding
Common	22,383,759,506	

¹ Should the date of annual stockholders' meeting (ASM) be declared a legal holiday, the ASM will be held on the next succeeding business day, at the same time (3:00p.m.).

Preferred	8,000,000,000	
Bonds Payable		35,861,826,494.01

11. Are any or all of registrant's securities listed in a Stock Exchange? **Yes**

Name of such Stock Exchange and the class of securities listed therein:

Philippine Stock Exchange / Common shares

**WE ARE NOT ASKING FOR A PROXY AND YOU ARE NOT BEING REQUESTED
TO SEND US A PROXY**

PART I INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, Time and Place of the Annual Meeting of Stockholders

- (a) The Annual Stockholders' Meeting ("ASM") of **FILINVEST LAND, INC.** (the "Company", the "Corporation", or "FLI") for the year 2025 is scheduled on **24 April 2025, 03:00 p.m.** through virtual meeting. Should the date of the ASM be declared a legal holiday, the ASM will be held on the next succeeding business day, at the same time (3:00p.m.). The Annual Stockholders' Meeting will be conducted virtually from The Beaufort, 5th Avenue corner 23rd Street, Bonifacio Global City, Taguig City, Metro Manila, Taguig, Metro Manila.
- (b) The complete mailing address of FLI is the Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila.
- (c) The information statement shall be made available to the stockholders and/or security holders no later than **28 March 2025**.

Item 2. Dissenter's Right of Appraisal

A stockholder of the Company has the right to dissent and demand payment of the fair value of his shares in the following instances: (a) in case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences superior in any respect to those of outstanding shares or any shares of any class, or of extending or shortening the term of corporate existence; (b) in case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets as provided in the Revised Corporation Code of the Philippines ("Revised Corporation Code"); (c) in case of investment of corporate funds in any other corporation or business or for any purpose other than the Company's primary purpose; and (d) in case of merger or consolidation.

The stockholder concerned must have voted against the proposed corporate action in order to avail himself of the appraisal right. As provided in the Revised Corporation Code, the procedure in the exercise of the appraisal right is as follows:

- a. The dissenting stockholder files a written demand within thirty (30) days after the date on which the vote was taken in which he registered a negative vote. Failure to file the demand within the 30-day period constitutes a waiver of the right. Within ten (10) days from demand, the dissenting stockholder shall submit the stock certificates to the Corporation for notation that such shares are dissenting shares. From the time of the demand until either the abandonment of the corporate action in question or the purchase of the shares by the Corporation, all rights accruing to the shares shall be suspended, except the stockholder's right to receive payment of the fair value thereof.
- b. If the corporate action is implemented, the Corporation shall pay the stockholder the fair value of his shares upon surrender of the corresponding certificate/s of stock. Fair value is determined by the value of the shares of the Corporation on the day prior to the

date on which vote is taken on the corporate action, excluding any appreciation or depreciation in value in anticipation of the vote on the corporate action.

- c. If the fair value is not determined within sixty (60) days from the date of the vote, it will be determined by three (3) disinterested persons (one chosen by the Corporation, another chosen by the stockholder, and the third one chosen jointly by the two (2) thus chosen). The findings of the majority of the appraisers will be final, and their award will be paid by the Corporation within (30) days following such award. Upon such payment, the stockholder shall forthwith transfer his shares to the Corporation. No payment shall be made to the dissenting stockholder unless the Corporation has unrestricted retained earnings sufficient to cover such payment.
- d. If the stockholder is not paid within thirty (30) days from such award, his voting and dividend rights shall be immediately restored.

There is no matter to be taken up at the Annual Stockholders' Meeting on **24 April 2025** which would entitle a dissenting stockholder to exercise the right of appraisal.

Item 3. Interest of Certain Persons in or Opposition to Matters to be Acted Upon

- (a) No director or executive officer of FLI or nominee for election as such director or officer has any substantial interest, direct or indirect, in any matter to be acted upon at the Annual Stockholders' Meeting, other than election to office (in the case of directors).
- (b) Likewise, none of the directors has informed FLI of his opposition to any matter to be taken up at the Annual Stockholders' Meeting.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

- (a) As of **28 February 2025**, the total number of shares outstanding and entitled to vote in the Annual Stockholders' Meeting is **22,383,759,506** common shares and **8,000,000,000** preferred shares. Each share is entitled to one (1) vote.
- (b) The record date for purposes of determining the stockholders entitled to notice of and to vote at the Annual Stockholders' Meeting is **28 February 2025**.
- (c) A stockholder may vote such number of shares for as many persons as there are directors to be elected. He may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or he may distribute them on the same principle among as many candidates as he shall see fit: *Provided*, That the total number of votes cast by him shall not exceed the number of shares owned by him as shown in the books of FLI multiplied by the whole number of directors to be elected. There are no conditions precedent to the exercise of the stockholder's cumulative voting right.

(d) Security Ownership of Certain Record and Beneficial Owners and Management:

The names, addresses, citizenship, number of shares held, and percentage to total of persons owning more than five percent (5%) of the outstanding voting shares of FLI as of **28 February 2025** are as follows:

C. Title of Class of Securities	Name/ Address of Record Owner and Relationship with FLI	Name of Beneficial Owner/ Relationship with Record Owner	Citizenship	No. of Shares Held	% of Ownership
Preferred	Filinvest Development Corporation The Beaufort, 5 th Avenue corner 23 rd Street, Bonifacio Global City, Taguig City, Metro Manila	FDC ¹	Filipino	8,000,000,000	100%
Common	Filinvest Development Corporation The Beaufort, 5 th Avenue corner 23 rd Street, Bonifacio Global City, Taguig City, Metro Manila	FDC ²	Filipino	15,926,610,981	71.15%
Common	PCD Nominee Corporation (Filipino) G/F, Philippine Stock Exchange Tower Ayala Avenue, Makati City	Same as the Record Owner	Filipino	4,181,347,442	18.68%
Common	PCD Nominee Corporation (Non-Filipino) G/F, Philippine Stock Exchange Tower, Ayala Avenue, Makati City	Please see footnote 3 below. ³	Non- Filipino	1,915,751,875	8.56%

Except as stated above, the Board of Directors and Management of the Company have no knowledge of any person who, as of the date of the annual report, was directly or indirectly the beneficial owner of more than five percent (5%) of the Company's outstanding shares or who has voting power or investment power with respect to shares comprising more than five percent (5%) of the Company's outstanding common stock.

¹ Ms. Lourdes Josephine Gotianun Yap is usually appointed by Filinvest Development Corporation ("FDC") as its representative, with authority to vote FDC's shares in stockholders' meetings of FLI

² Ms. Lourdes Josephine Gotianun Yap is usually appointed by Filinvest Development Corporation ("FDC") as its representative, with authority to vote FDC's shares in stockholders' meetings of FLI

³ Based on the SEC Form 18-A submitted by Dunross & Co. Holding Limited to the SEC dated 31 May 2018, and which were subsequently provided to us by Dunross & Co. Holding Limited, it holds 5.41% of the outstanding shares of the Company. Moreover, based on the List of Participants Holding 5% or more of Outstanding Voting Shares of FLI, provided by the Company's stock transfer agent, one participant holds 6.63%, namely, The Hongkong and Shanghai Banking Corp. Ltd.-Clients' Acct.

As of **28 February 2025**, 1,920,996,169 or 6.32% of the total outstanding voting shares of FLI are owned by foreigners.

The names, citizenship, number of shares held and percentage to total outstanding shares of persons forming part of the Board of Directors and Management of the Company as of **28 February 2025** are as follows:

Title of Class of Securities	Name	Amount and Nature of Ownership	Citizenship	Percentage of Ownership
Common	Jonathan T. Gotianun	61 (D) 3,140,376 (I)	Filipino	0.00% (D) 0.01% (I)
Common	Lourdes Josephine Gotianun Yap	91 (D) 38,716,303 (I)*	Filipino	0.00% (D) 0.17% (I)
Common	Tristaneil D. Las Marias	1 (D)	Filipino	0.00% (D)
Common	Michael Edward T. Gotianun	11,235,928 (D)	Filipino	0.05% (D)
Common	Rhoda A. Huang	95,712 (D)	Filipino	0.0004% (D)
Common	Francis Nathaniel C. Gotianun	32,518(D)	Filipino	0.00% (D)
Common	Ephyro Luis B. Amatong	1 (D)	Filipino	0.00% (D)
Common	Ernesto S. De Castro	1 (D)	Filipino	0.00% (D)
Common	Gemilo J. San Pedro	1 (D)	Filipino	0.00% (D)
Common	Ana Venus A. Mejia	233,000 (I)	Filipino	0.00% (I)
Common	Maria Victoria M. Reyes-Beltran	200,000 (I)	Filipino	0.00% (I)
Common	Winnifred H. Lim	1,026,563 (I)	Filipino	0.00% (I)
N.A.	Francis V. Ceballos	0	Filipino	N.A.
N.A.	Reynaldo Juanito S. Nieva II	0	Filipino	N.A.
N.A.	Edward Thomas V. Bernas	0	Filipino	N.A.
Common	Luis L. Fernandez	4,064,940 (D)	Filipino	0.02% (D)
N.A.	Alexis Avalone Ojeda	0	Filipino	N.A.
N.A.	Harriet Joan C. Ducepec	0	Filipino	N.A.
N.A.	Mary Averose D. Valderrama	0	Filipino	N.A.
N.A.	Wilbert B. Serrano	0	Filipino	N.A.
N.A.	Sean Philip R. Imperial	0	Filipino	N.A.
N.A.	Gerard C. Marcelo	0	Filipino	N.A.
N.A.	Katrina O. Clemente-Lua	0	Filipino	N.A.
N.A.	Jennifer C. Lee	0	Filipino	N.A.
N.A.	Melissa C. Ortiz	0	Filipino	N.A.
N.A.	Michael R. Roxas	0	Filipino	N.A.
N.A.	Raymond Wilfred L. Castañeda	0	Filipino	N.A.

* Includes shares of stock in Filinvest Land, Inc. under the name Joseph &/or Josephine Yap

Total ownership of all directors and officers as a group as of 28 February 2025 is 0.25% of the total issued and outstanding common shares of stock.

No person holds more than 5% of the common stock under a voting trust or similar agreement.

There are no arrangements which may result in a change in control of FLI. There has been no change in control of FLI since the beginning of the last fiscal year.

Item 5. Directors and Executive Officers

The members of the Board serve for a term of one (1) year and until their successors shall have been duly elected and qualified.

The record of attendance of the directors at the meetings of the Board of Directors held in 2024 is as follows:

Directors	No. of Board Meetings Held	No. of Board Meetings Attended	Percent Present
Jonathan T. Gotianun	7	6	86%
Lourdes Josephine Gotianun Yap	7	7	100%
Tristaneil D. Las Marias	7	7	100%
Michael Edward T. Gotianun	7	7	100%
Francis Nathaniel C. Gotianun	7	5	71%
Efren C. Gutierrez*	3	2	67%
Rhoda A. Huang**	4	3	75%
Val Antonio B. Suarez*	3	3	100%
Ephyro Luis B. Amatong (Independent Director)**	4	4	100%
Ernesto S. De Castro (Independent Director)	7	7	100%
Gemilo J. San Pedro (Independent Director)	7	7	100%

* Attys. Efren C. Gutierrez and Val Antonio B. Suarez ceased to be directors on 19 April 2024.

** Ms. Rhoda A. Huang and Atty. Ephyro Luis B. Amatong were elected as new directors during the 2024 Annual Stockholders' Meeting held on 19 April 2024.

The profile of the incumbent directors and officers of FLI are provided below:

Jonathan T. Gotianun <i>Chairman of the Board</i>	Mr. Gotianun, 71, Filipino, was first elected as a Director of FLI on 17 June 1994. He also serves as the Chairman of the Board of Directors of Filinvest Development Corporation ("FDC") and East West Banking Corporation ("EWBC"), both publicly-listed companies. He is also the Chairman of the Board of Davao Sugar Central Co., Inc. ("DSCC"), Cotabato Sugar Central Co. Inc. ("CSCC") and FDC Utilities, Inc. ("FDCUI") and their subsidiary power companies. He served as a Director and Senior Vice-President of Family Bank & Trust Co. until 1984. He obtained his Master's Degree in Business Administration from Northwestern University in 1976.
Lourdes Josephine Gotianun Yap <i>Vice-Chairperson of the Board</i>	Mrs. Yap, 69, Filipino, was first elected as a Director of FLI on 24 November 1989. Mrs. Yap was elected as the Vice-Chairperson of the Board of FLI on 24 April 2023. She served as the CEO of FLI from October 2012 to April 2023 and as its President from October 2012 to April 2022. She is also the Vice-Chairperson of the Board of FDC and a Director of EWBC, all publicly-listed companies. She is the

	Chairperson of Filinvest Alabang, Inc. (“FAI”), a Director of FDCUI and in other companies within the Filinvest Group. She obtained her Master’s Degree in Business Administration from the University of Chicago in 1977.
Tristaneil D. Las Marias <i>Director, President and Chief Executive Officer</i>	Mr. Las Marias, 50, Filipino, is the President and Chief Executive Officer of FLI. He also serves as a Director of FILRT, a publicly-listed company. He started in 1997 as the Head of Regional Projects and went on to hold a higher position as a Senior Vice-President and Cluster Head for Visayas and Mindanao projects, as well as Southwest and Central Luzon. He was appointed as President and Chief Strategy Officer of FLI in April 2022 before his concurrent appointment as CEO in April 2023. He obtained his Bachelor of Arts, Major in Management Economics degree from Ateneo de Manila University. He also obtained his Certificate from the Advanced Management Program of the Harvard Business School in 2022.
Michael Edward T. Gotianun <i>Director</i>	Mr. Gotianun, 67, Filipino, was first elected as a Director of FLI on 08 May 2015. He is also a Director of FDC, a publicly-listed company. He served as the general manager of Filinvest Technical Industries from 1987 to 1990 and as loans officer at Family Bank from 1979 to 1984. He obtained his Bachelor’s Degree in Business Management from the University of San Francisco in 1979.
Francis Nathaniel C. Gotianun <i>Director</i>	Mr. Gotianun, 41, Filipino, was first elected as a Director of FLI on 22 April 2016. He is the First Senior Vice-President of Filinvest Hospitality Corporation, a subsidiary of FDC, the primary role of which is to evaluate, plan, develop and optimize potential and current hospitality investments of the Filinvest Group. He is also a director of FDC, a publicly-listed company. He serves as Chairman of ProOffice Works Services, Inc. (“PWSI”), a Director of Filinvest Mimosa, Inc. and as the President and CEO of The Palms County Club, Inc. (“TPCCI”). He obtained his Bachelor’s Degree in Commerce from the University of Virginia in 2005 and his Master’s in Business Administration degree in IESE Business School – University of Navarra in 2010.
Rhoda A. Huang <i>Director</i>	Ms. Huang, 62, Filipino, was first elected as a Director of FLI on 19 April 2024. She is currently a Director and the President and CEO of FDC, a publicly-listed company. Prior to joining FDC, she was the President of BPI Capital Corporation. She was also the former Branch Head of Investment Banking for Credit Suisse Philippines and spent nineteen (19) years at JP Morgan Chase and its predecessor institutions. Ms. Huang bring more than thirty (30) years of experience in Philippine corporate, financial and

	government institutions. She has led various aspects of investment banking, including handling mergers and acquisitions, facilitating equity-linked transactions, managing equity and debt capital markets, overseeing structured products and lending, as well as handling risk management. She completed her Bachelor's degree in Business Administration and Accountancy at the University of the Philippines and is a Certified Public Accountant.
Ephyro Luis B. Amatong <i>Independent Director</i>	Atty. Amatong, 52, Filipino, was first elected as an Independent Director of FLI on 19 April 2024. He was the former Supervising Commissioner of the Markets and Securities Regulation Department and the Economic Research and Training Department of the Philippine Securities and Exchange Commission (SEC) from May 2014 to March 2022. Before joining SEC, he was an Assistant Secretary of the Department of Finance ("DOF") where he had an active role in a number of privatization projects among others. He also served in various capacities in the government. Before joining the government, he was an Associate with the Villaraza & Angangco Law Offices where he dealt with high profile litigation. Currently, he is a partner of MOSVELDTT Law Offices and a Consultant for the World Bank Group and the Asian Development Bank. He is a Professional Lecturer of the University of the Philippines – College of Law, a Trustee of the Andres Bonifacio College, an Independent Director of Asia Link Finance Corp.; Global Dominion Financing, Inc., South Asialink Finance Corp., and Citicore Renewable Energy Corp., and an Advisor to the Board of Alternergy Holdings Corp. Atty. Amatong was admitted to the Philippine Bar in 2002 and the New York Bar in 2007. He holds a Master of Laws degree with an International Finance Concentration from Harvard Law School. He also holds a Bachelor of Laws degree from the University of the Philippines and a Bachelor of Science in Business Economics from the same university.
Ernesto S. De Castro <i>Independent Director</i>	Mr. De Castro, 78, Filipino, was first elected as an Independent Director of FLI on 22 April 2019. He is the President of ESCA Incorporated since July 1993. He is not a Director of any other publicly-listed company. He graduated from the University of the Philippines Diliman in 1967 with a Bachelor's Degree in Civil Engineering and obtained his Masters of Engineering in the same university in 1968. He obtained the degree of Doctor of Philosophy in Civil Engineering (Major in Structures) in Lehigh University, Bethlehem, Pennsylvania, USA in 1975.

Gemilo J. San Pedro <i>Independent Director</i>	Mr. San Pedro, 71, Filipino, was first elected as an Independent Director of FLI on 17 July 2019. He has 38 years of experience in public accounting and business advisory services. Prior to his retirement on 30 June 2015, he served various leadership roles at SyCip Gorres Velayo & Co. (SGV & Co.). He was a partner in SGV & Co. from 1991 to 2015 and a Professional Practice Director and a Quality and Risk Management Leader from 2004 to 2015. He finished his Bachelor of Science in Commerce, Major in Accounting degree at Rizal Memorial Colleges, Davao City. He obtained his Master of Business Administration, Concentration in Finance and International Business, at the Graduate School of Business, New York University, (now Stern Graduate School) USA in 1983.
Ana Venus A. Mejia <i>Executive Vice President, Treasurer and Chief Finance Officer</i>	Ms. Mejia, 59, Filipino, has been with the Filinvest Group for 28 years. She started in January 1996 as the Assistant Controller of FDC and has served the group in various capacities. She was appointed as the Treasurer of FLI in 2012. She also serves as the Treasurer and Chief Finance Officer of FILRT. Prior to joining Filinvest, she worked with Shoemart and SGV & Co. She is a Certified Public Accountant and a <i>magna cum laude</i> graduate of Pamantasan ng Lungsod ng Maynila. She obtained her Master's Degree from the Kellogg School of Management of Northwestern University and the School of Business and Management at the Hong Kong University of Science and Technology.
Winnifred H. Lim <i>First Senior Vice President and Chief Technical Planning Officer</i>	Engr. Lim, 60, Filipino, is the Senior Vice-President and Chief Technical Planning Officer of FLI. He started as the Company's Engineering Head last 2000 and currently leads Engineering, Architecture, Planning and Design, Survey, and Special Projects. He obtained his Master's Degree in Structural Engineering at the University of the Philippines Diliman.
Maria Victoria M. Reyes-Beltran <i>Senior Vice-President, General Counsel and Compliance Officer</i>	Atty. Reyes-Beltran, 58, Filipino, is the General Counsel and Compliance Officer of FLI. She also serves as the Compliance Officer of FILRT. Prior to joining FLI, she served as the Director of the Office of Internal Legal Counsel of R.G. Manabat & Co., a professional partnership firm affiliated with KPMG International. She also served as the First Vice President - General Counsel of the Corporate Legal Unit of JG Summit Holdings, Inc. and Universal Robina Corporation, its subsidiaries, and regional operations in Southeast Asia, as well as the Corporate Secretary of the printed media unit of the group. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Bachelor of Arts degree, Major in Philosophy from the University of the Philippines and her Bachelor of

	Laws degree from San Beda College of Law. She completed her Master of Laws in International Commercial Law at the Ateneo School of Law and a Course on Structuring International Joint Venture at the University of California, Davis Campus.
Francis V. Ceballos <i>Senior Vice President and Head of the Industrial, Warehousing and Logistics Business</i>	Mr. Ceballos, 58, Filipino, joined FLI last 2010 and is currently the Senior Vice-President and Head of the Industrial/Logistics Business. He graduated from Ateneo de Manila University with a degree in Management Engineering and obtained his Masters in Business Administration from the Asian Institute of Management.
Edward Thomas V. Bernas <i>Senior Vice President – Assistant Residential Business Unit Head</i>	Mr. Bernas, 57, Filipino is the Senior Vice President – Assistant Residential Business Unit Head of FLI. Prior to joining FLI, he was the Business Unit General Manager for Robinsons Homes, the horizontal development arm of Robinsons Land Corporation (RLC). Mr. Bernas also held the position of Assistant Vice President of RLC for Infrastructure and Integrated Development until 2018 and was instrumental in its integrated township developments. Mr. Bernas spent years at Torre Lorenzo Devt. Corporation, where he was Business Development Director & Business Unit Head for Mixed-Use Developments. Mr. Bernas graduated from the Ateneo de Manila University with a Bachelor of Arts degree in Major in Economics.
Reynaldo Juanito S. Nieva II <i>Senior Vice President and Operations Head</i>	Mr. Nieva, 50, Filipino, is the head of the Operations Department of FLI. He has been with FLI for fifteen (15) years and significantly contributed to various systems and processes of the company. His customer-centric leadership introduced the Omni channel to FLI's customer service, efficient booking process, stability in risk management and digitalizing an array of FLI Operating systems. He graduated from the University of the Philippines Diliman with a degree in Hotel and Restaurant Administration
Luis L. Fernandez <i>First Vice President and HOA & Water Systems Head</i>	Mr. Fernandez, 78, Filipino, is the HOA & Water Systems Head of FLI. He has been with Filinvest for more than fifty (50) years. He served as Executive Vice-President of Family Savings Bank and held the same position in Family Bank & Trust Co. He also served as Vice-President of FDC. He obtained his Bachelor of Arts Degree Major in Business Management from the Ateneo De Manila University.
Alexis Avalone Ojeda <i>First Vice President and Sales Channel Development Head</i>	Mr. Ojeda, 52, Filipino, is the Sales Channel Development Head of FLI. Prior to joining FLI in 2019, he served as Sales Head of various corporations such as Federal Land, Inc., Ayala Land International Sales, Inc., and Robinsons Land

	Corp. He graduated from the Ateneo De Manila University with a Bachelor of Arts Degree Major in Management Economics.
Wilbert B. Serrano <i>First Vice President – Sales and Marketing Head</i>	Mr. Serrano, 49, Filipino, is the Sales and Marketing Head of FLI. Prior to joining FLI, he is the Head of Commercial Excellence and Business Strategy at Sandoz-Novartis Philippines. He has been leading sales and marketing teams across different industries for over twenty (20) years. He has worked for Globe Telecom, Johnson & Johnson Philippines, and Samsung Electronics Philippines Corp. He has a Bachelor of Arts Degree in English and has completed the Executive MBA Program at the Asian Institute of Management (“AIM”). He is also a graduate of the Corporate Strategy and Execution Program and Management Development Program of AIM.
Harriet Joan C. Ducepec <i>First Vice-President, Corporate Planning and Market Research</i>	Ms. Ducepec, 59, Filipino, is the First Vice-President for Corporate Planning and Market Research of FLI. She has been with the Filinvest Group for 28 years, joining in October 1996 as the Assistant Vice President and Head of Corporate Planning and Market Research. She has over 30 years of experience in corporate planning in both real estate and banking industries. Prior to joining FLI she worked with ASB Realty, United Coconut Planters Bank, Union Bank of the Philippines and International Corporate Bank. She obtained her Bachelor of Arts degree in Economics, <i>cum laude</i> , from the University of the Philippines Diliman and completed the Strategic Business Economics Program from the University of Asia and the Pacific.
Ms. Mary Averose D. Valderrama <i>First Vice President – Brand/Product and Regional Projects Head for Mid-Rise Buildings (“MRB”) and Metro Manila and Luzon – MRB</i>	Ms. Valderrama, 44, Filipino, is the Brand/Product and Regional Projects Head for MRBs and Metro Manila and Luzon – MRB of FLI. Ms. Valderrama graduated as <i>cum laude</i> in 2002 with a degree in Business Economics at the University of the Philippines - Diliman. She took an MBA in Business Administration at the University of East Anglia in United Kingdom and graduated with distinction. When Ms. Valderrama joined FLI in 2013, she carried with her solid real estate experience gained from the various roles she held in business development, sales and marketing.
Sean Philip R. Imperial <i>First Vice President - Business Planning Head</i>	Mr. Imperial, 46, Filipino, is the First Vice-President for Land Acquisition and Disposition of FLI. He has been with Filinvest for twenty-three (23) years. He is a homegrown talent, starting as a Project Analyst to an Executive role in Rawland Acquisition. He obtained his degree in Economics from the University of Santo Tomas.
Gerard C. Marcelo	Mr. Marcelo, 52, Filipino, is the First Vice President, Regional General Manager – North, Central and South

<i>First Vice President, Regional General Manager – North, Central and South Luzon, and Estate Business Head</i>	Luzon, and Estate Business Head. Mr. Marcelo has over 25 years of experience in planning, implementation and general management of general subdivision projects, as well as land acquisition and business development for condotels and hotel projects. He started his career with Landco Pacific Corporation earning his way to becoming its Vice President for Business Development and Market Research. Prior to joining FLI, he was a Business and Project Development Consultant of Ayala Land Estates, Inc. Mr. Marcelo graduated from Ateneo de Manila University with a Bachelor of Science in Management Engineering and attended the Strategic Business Economics Program at the University of Asia and the Pacific.
Melissa C. Ortiz <i>Investor Relations Officer</i>	Ms. Ortiz, 54, Filipino, is the Investor Relations Officer of FLI. She was previously the Head of Investor Relations for ABS-CBN Corporation, Head of Corporate and Financial Planning for Nutriasia Philippines and Head of Financial Planning and Investor Relations for MERALCO. She is a Certified Public Accountant and a Certified Management Accountant. She obtained her Bachelor's Degree in Business Administration from the University of the Philippines and obtained her Master's Degree in Business Administration and Master of Science in Computational Finance degree from De La Salle University. She completed the Chief Financial Officer, Strategic Finance Leadership, Business and Management Consulting and Enterprise Risk Management programs at the Asian Institute of Management. She also completed the Sustainable Real Estate: Creating a Better Built Environment by the University of Cambridge Institute for Sustainability Leadership, Sustainable Finance in Action of the Singapore Management University and Real Estate Economics and Finance from the London School of Economics and Political Science.
Katrina O. Clemente-Lua <i>Corporate Secretary and Corporate Information Officer</i>	Ms. Clemente-Lua, 41, Filipino, was appointed as FLI's Corporate Secretary on 24 March 2023 and Corporate Information Officer on 16 March 2022. Ms. Lua was previously appointed as FLI's Assistant Corporate Secretary on 16 March 2022. She joined the Corporate and Tax Advisory Division of the Legal Department of FLI in October 2018. Prior to joining FLI, she served as the Legal Counsel of Philippine Stratbase Consultancy, Inc. and the Executive Director of Stratbase ADR Institute. She was previously an Associate of Carag Jamora Somera & Villareal Law Offices, as well as the Senior Corporate Affairs Officer of Anchor Land Holdings.

	She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Bachelor of Arts degree in Legal Management from De La Salle University and her Juris Doctor degree from Ateneo de Manila University.
Jennifer C. Lee <i>Assistant Corporate Secretary</i>	Ms. Lee, 40, Filipino, was first appointed as FLI's Assistant Corporate Secretary on 24 March 2023. She joined the Corporate, Tax, and Compliance Division of the Legal Department of FLI in July 2021. Prior to joining FLI, she was an associate in Quasha Law and in Migallos & Luna Offices. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Juris Doctor degree in University of the Philippines – Diliman and her Bachelor of Science in Commerce, Major in Legal Management in De La Salle University – Manila.
Michael R. Roxas <i>Chief Audit Executive</i>	Mr. Roxas, 45, Filipino, is the Chief Audit Executive of FLI. He has a dynamic 20-year management career in auditing, assurance and consultancy in real estate, retail, manufacturing and telecommunications companies. He performed financial, operations and compliance audits including business process, project management, continuous monitoring, process mapping, and fraud investigation. Prior to joining FLI, he was the Senior Assistant Vice President, Internal Audit and Risk Management of Global-Estate Resorts, Inc. ("GERI"). Before joining GERI, he was the head of Risk Management & Insurance Division of Makati Development Corporation ("MDC"), a wholly owned subsidiary and the construction arm of Ayala Land, Inc. During his time in MDC, he championed several initiatives for MDC such as documentation and improvement of MDC's systems and procedures, establishment of the Enterprise-wide Risk Management program, development of Business Continuity Management, and Lean Construction. He has a Master's Degree in Business Administration from the Pamantasan ng Lungsod ng Maynila. He is a Certified Lead Auditor for ISO 9001:2008 Quality Management System and ISO 14001:2004 Environmental Management System. Mr. Roxas is certified in Safety Program Audit, Loss Control Management and Construction Occupational Safety and Health (COSH). He also obtained the 186 Certified Internal Control Auditor (CICA) title in February 2019. He is a member of the Institute of Internal Auditors – Philippines (IIA-P) since 2009.
Raymond Wilfred L. Castañeda <i>Data Privacy Officer</i>	Mr. Castañeda, 48, Filipino, is the Data Privacy Officer ("DPO") of FLI. He is also the DPO of FILRT. He concurrently serves as President of Filinvest Business Services Corporation (formerly, Corporate Technologies

	Incorporated). He has twenty-two (22) years combined experience in different areas covering sales and marketing, information technology, strategy and general management. He was previously the Chief Information Officer and Head of IT for Petron Corporation. Prior to his experience in the Oil and Gas industry, he was with the fast-moving consumer goods business where he was involved in the digital transformation of the multinational companies such as Unilever, Johnson and Johnson and SC Johnson. He graduated from the Ateneo de Manila University, with a degree in BS Management Information Systems in 1999.
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A Certification that none of the above-named directors and officers works in the government is attached herein as **Annex “A”**.

Board Evaluation and Assessment

To ensure board effectiveness and optimal performance, the Board shall conduct annual performance evaluations of the Board of Directors, its individual members and board committees. Through the self-assessment and evaluation process, directors identify areas for improvement, such as:

1. Diversity of the board composition;
2. The frequency and conduct of meetings;
3. The timeliness and completeness of materials and information provided to them;
4. Directors’ access to Management;
5. Orientation for new directors and continuing education and training for existing directors.

The criteria for Board self-assessment are:

1. Collective Board Rating
 - a) Board Composition
 - b) Board Meetings and Participation
2. Individual Self-Assessment
 - a) Individual Performance
 - b) Attendance of Board and Committee Meetings
3. Board Committees Rating
 - a) Executive Committee
 - b) Corporate Governance Committee
 - c) Audit and Risk Management Oversight Committee
 - d) Compensation Committee
 - e) Related-Party Transaction Committee
4. Comments and Suggestions

The members of the board committees, pursuant to appointments made during the organizational meeting of the Board of Directors of FLI on 19 April 2024, are as follows:

Committees	Members
Executive Committee	Chairperson: Lourdes Josephine Gotianun Yap Members: Jonathan T. Gotianun Michael Edward T. Gotianun Francis Nathaniel C. Gotianun Tristaneil D. Las Marias
Audit & Risk Management Oversight Committee	Chairman: Gemilo J. San Pedro (<i>Independent Director</i>) Members: Ephyro Luis B. Amatong (<i>Independent Director</i>) Lourdes Josephine Gotianun Yap
Compensation Committee	Chairman: Ephyro Luis B. Amatong (<i>Independent Director</i>) Members: Lourdes Josephine Gotianun Yap Ernesto S. De Castro (<i>Independent Director</i>) Gemilo J. San Pedro (<i>Independent Director</i>)
Corporate Governance Committee	Chairman: Ephyro Luis B. Amatong (<i>Independent Director</i>) Members: Jonathan T. Gotianun Gemilo J. San Pedro (<i>Independent Director</i>) Ernesto S. De Castro (<i>Independent Director</i>)
Related-Party Transaction Committee	Chairman: Ephyro Luis B. Amatong (<i>Independent Director</i>) Members: Gemilo J. San Pedro (<i>Independent Director</i>) Ernesto S. De Castro (<i>Independent Director</i>)

Nomination and Selection of Directors

The directors of FLI are elected at the Annual Stockholders' Meeting to hold office for one (1) year and until their respective successors have been duly appointed or elected and qualified. Officers are appointed by the Board of Directors typically at its first meeting following the Annual Stockholders' Meeting, each to hold office until his successor shall have been duly appointed and qualified.

There will be an election of the members of the Board during the Annual Stockholders' Meeting. The stockholders of the Company may nominate individuals to be members of the Board of Directors.

The Corporate Governance Committee, convened as the Nominations Committee, received the nominations for directors submitted by the stockholders. The Corporate Governance Committee met to consider the qualifications as well as grounds for disqualification, if any, of the nominees based on the criteria set forth in the Company's Revised Manual of Corporate Governance ("Revised Manual"), Securities Regulation Code, and SEC Memorandum Circular No. 09, Series of 2011 as amended by SEC Memorandum Circular No. 04, Series of 2017. The

Corporate Governance Committee then prepared a Final List of Candidates enumerating the nominees who passed the screening based on the following:

Qualifications

1. He is a holder of at least one (1) share of stock of FLI;
2. He shall be at least a college graduate or have sufficient experience in managing the business to substitute for such formal education;
3. He shall be at least twenty-one (21) years old;
4. He shall have proven to possess integrity and probity; and
5. He shall be assiduous.

Permanent Disqualifications

The following shall be permanently disqualified for election as director:

1. Within five (5) years prior to the election or appointment, the director, trustee, or officer was convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years;
2. Within the tenure, the director, trustee, or officer was convicted by final judgment of an offense punishable by imprisonment for a period exceeding six (6) years;
3. Within five (5) years prior to the election or appointment, the director, trustee, or officer was convicted by final judgment for violating the Revised Corporation Code;
4. Within the tenure, the director, trustee, or officer was convicted by final judgment for violating the Revised Corporation Code;
5. Within five (5) years prior to the election or appointment, the director, trustee, or officer was convicted by final judgment for violating the Securities Regulation Code;
6. Within the tenure, the director, trustee, or officer was convicted by final judgment for violating the Securities Regulation Code;
7. Within five (5) years prior to the election or appointment, the director, trustee, or officer was found administratively liable, by final judgment, for any offense involving fraudulent acts punishable under the Revised Corporation Code, the Securities Regulation Code, and other laws, rules or regulations enforced or implemented by the SEC;
8. Within the tenure, the director, trustee, or officer was found administratively liable, by final judgment, for any offense involving fraudulent acts punishable under the Revised Corporation Code, the Securities Regulation Code, and other laws, rules or regulations enforced or implemented by the SEC;
9. Within five (5) years prior to the election or appointment, the director, trustee, or officer was convicted or found administratively liable by a foreign court or equivalent foreign regulatory authority for acts, violations or misconduct similar to those enumerated in paragraphs (a) and (b) of Section 26 of the Revised Corporation Code;
10. Within the tenure, the director, trustee, or officer was convicted or found administratively liable by a foreign court or equivalent foreign regulatory authority for acts, violations or misconduct similar to those enumerated in paragraphs (a) and (b) of Section 26 of the Revised Corporation Code; or
11. Within five (5) years prior to the election or appointment, or within the tenure, the director, trustee or officer was found administratively liable, by final judgment, for refusal to allow the inspection and/or reproduction of corporate records.

Temporary Disqualifications

The following shall be grounds for the temporary disqualification of a director:

1. Refusal to fully disclose the extent of his business interests as required under the Securities Regulation Code and its Implementing Rules and Regulations. This disqualification shall be in effect as long as his refusal persists;
2. Absence or non-participation for whatever reason/s in more than fifty percent (50%) of all meetings, both regular and special, of the Board of Directors during his incumbency, or any twelve (12) -month period during said incumbency. This disqualification applies for purposes of the succeeding election;
3. Dismissal or termination from directorship in another listed corporation for cause. This disqualification shall be in effect until he has cleared himself of any involvement in the alleged irregularity;
4. Being under preventive suspension by the Company;
5. If the independent director becomes an officer or employee of FLI, he shall be automatically disqualified from being an independent director;
6. Conviction that has not yet become final referred to in the grounds for the disqualification of directors; and
7. If the beneficial ownership of an independent director in the Corporation or its subsidiaries and affiliates exceeds two percent (2%) of its subscribed capital stock. The disqualification from being elected as an independent director is lifted if the limit is later complied with.

“Independent director” means a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director in any corporation that meets the requirements of Section 17.2 of the Securities Regulation Code and includes, among others, any person who:

1. Is not a director or officer or substantial stockholder of FLI or of its related companies or any of its substantial shareholders (other than as an independent director of any of the foregoing);
2. Is not a relative of any director, officer or substantial shareholder of FLI, any of its related companies or any of its substantial shareholders. For this purpose, “relative” includes spouse, parent, child, brother, sister, and the spouse of such child, brother or sister;
3. Is not acting as a nominee or representative of a substantial shareholder of FLI, any of its related companies or any of its substantial shareholders;
4. Has not been employed in any executive capacity by FLI, any of its related companies or by any of its substantial shareholders within the last two (2) years;
5. Is not retained as professional adviser by FLI, any of its related companies or any of its substantial shareholders within the last two (2) years, either personally or through his firm; and
6. Has not engaged and does not engage in any transaction with FLI or with any of its related companies or with any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms-length and are immaterial or insignificant.

When used in relation to FLI subject to the requirements above:

“Related company” means another company which is: (a) its holding company, (b) its subsidiary, or (c) a subsidiary of its holding company; and

“Substantial shareholder” means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.

An Independent Director of FLI shall have the following qualifications:

1. He shall have at least one (1) share of stock of FLI;
2. He shall be at least a college graduate or he shall have been engaged in or exposed to the business of FLI for at least five (5) years;
3. He shall possess integrity/probity; and
4. He shall be assiduous.

A person shall likewise be disqualified during his tenure as an Independent Director under the following instances or causes:

1. He becomes an officer or employee of FLI, or becomes any of the persons enumerated under item (A) hereof;
2. His beneficial security ownership exceeds 2% of the outstanding capital stock of FLI;
3. He fails, without any justifiable cause, to attend at least 50% of the total number of board meetings during his incumbency unless such absences are due to grave illness or death of an immediate family member; or
4. If he becomes disqualified under any of the grounds stated in FLI's Revised Manual.

Pursuant to SEC Memorandum Circular No. 9, Series of 2011, as amended by SEC Memorandum Circular No. 04, Series of 2017, the following additional guidelines shall be observed in the qualification of individuals to serve as independent directors:

1. There shall be no limit in the number of covered companies that a person may be elected as Independent Director, except in business conglomerates where an ID can be elected to only five (5) companies of the conglomerate, i.e., parent company, subsidiary or affiliate;
2. The independent director shall serve for a maximum cumulative term of nine (9) years;
3. After the maximum cumulative term, the independent director shall be perpetually barred from re-election as such in the same company, but may continue to qualify as non-independent director;
4. In the instance that a company wants to retain an independent director who has served for nine (9) years, the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting; and
5. The reckoning of the cumulative nine-year term is from 2012.

Only nominees whose names appear in the Final List of Candidates shall be eligible for election as directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed on the floor during the Annual Stockholders' Meeting.

The conduct of the election of directors shall be in accordance with FLI's Amended By-Laws and Revised Manual.

It shall be the responsibility of the Chairman of the Annual Stockholders' Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure that independent directors are elected during the Annual Stockholders' Meeting. Specific slots for independent directors shall not be filled up by unqualified nominees. In case of failure of election for independent directors, the Chairman of the meeting shall call a separate election during the same meeting to fill up the vacancy.

Other Significant Employees

FLI considers all its employees' significant to the growth of the Company.

Family Relationships

Mr. Jonathan T. Gotianun, Mr. Michael Edward T. Gotianun and Mrs. Lourdes Josephine Gotianun Yap are siblings. Mr. Francis Nathaniel C. Gotianun is the son of Mr. Jonathan T. Gotianun. All of them are incumbent members of the Board of Directors of FLI.

Other than the foregoing, there are no other family relationships known to FLI.

Legal Proceedings

The Company is subject to lawsuits and legal actions in the ordinary course of its real estate development and other allied activities. However, the Company does not believe that any such lawsuits or legal actions will have a significant impact on its financial position or results of its operations. Noteworthy are the following cases involving the Company:

- a) *FLI vs. Abdul Backy Ngilay, et al.*,
G.R. No. 174715
Supreme Court

This is a civil action for the declaration of nullity of deeds of conditional and absolute sale of certain real properties located in Tambler, General Santos City, covered by free patents and executed between FLI and the plaintiff's patriarch, Hadiji Gulam Ngilay, instituted in 1998. The Regional Trial Court ("RTC") of Las Piñas City (Br. 253) decided the case in favor of FLI and upheld the sale of the properties. On appeal, the Court of Appeals ("CA") rendered a decision partly favorable to FLI but nullified the sale of some properties involved. FLI filed a petition for review on *certiorari* to question that portion of the decision declaring as void the deeds of sale of properties covered by patents issued in 1991. The Supreme Court ("SC") affirmed the decision of the CA but declared with finality that FLI's purchase of sales patents issued in 1991 was void and ordered the Ngilays to return ₱14,000,000.00 to FLI. The RTC issued a Writ of Execution dated 16 February 2015. To satisfy the monetary judgment in favor of FLI, four (4) parcels of land owned by the Ngilays and covered by Transfer Certificates of Title ("TCT") Nos. P-6886, 147-201005034, 147-2014000465, and 147-2014000468, were levied on execution and sold at public auction to FLI as the highest bidder. The Sheriff's Certificate of Sale over the properties was registered with the Registry of Deeds of General Santos City. FLI filed a motion for the surrender of the certificates of titles of the Ngilays so that FLI's affidavit of consolidation of ownership can be annotated on the titles and new

certificates of title will be issued in FLI's name. This motion was partially granted; 3 titles, namely TCT Nos. 147-2014005034, 147-2014000465, and 147- 2014000468, are surrendered to the Register of Deeds of General Santos City. But the sale by the Sheriff of the property covered by TCT No. P-6886 was declared invalid, because the sale of the property covered by said title was not one of the sales previously declared by the SC as invalid. The Sheriff was ordered to look for another property of Ngilay for execution and to issue an amended certificate of sale for the 3 Ngilay properties in favor of FLI. We are awaiting the Court's issuance of an order approving the amended certificate of sale along with resolution of the Court on Moner Ngilay's Motion to Exclude his property from execution, with FLI's opposition already filed. The court granted FLI's motions and ordered the Deputy Sheriff of the Regional Trial Court, Branch 253 of Las Piñas City, to amend the Certificate of Sale in accordance with the Order dated 1 June 2018 while Moner Ngilay's Motion to Exclude his property from execution was denied.

*b) Republic of the Philippines vs. Rolando Pascual, et al.,
Civil Case No. 7059 RTC General Santos Branch 36 (On appeal by the Republic
to the Court of Appeals)*

The Republic through the Office of the Solicitor General (OSG) filed suit against Rolando Pascual, Rogelio Pascual, and FLI for cancellation of title and reversion in favor of the Government of properties subject of a joint venture agreement between the said individuals and FLI. The Government claims that the subject properties covering about 73.33 hectares are not alienable and disposable for being forest land. The case was dismissed by the RTC Branch 36 of General Santos City on 16 November 2007 for lack of merit. On appeal by the Republic, the Court of Appeals reversed the Decision of the RTC and ordered the case to be remanded for a full-blown trial on the merits. FLI filed its Petition for Review with the SC, but the latter also affirmed the Decision of the CA remanding the case to the RTC for further proceedings.

When the case was remanded in the trial court, the RTC set the case for Judicial Dispute Resolution which was eventually terminated after the parties failed to arrive at an amicable settlement. After several re-settings that spanned over a decade in addition to the pandemic, the pre-trial originally set on 14 April 2020 was held on 17 May 2022 at 8:30am. Representatives and counsel of the Republic, particularly from the Department of Environment and Natural Resources (DENR) and the Office of the Solicitor General, still failed to attend. Hence, the RTC of General Santos City dismissed the case with prejudice upon motion of the defendants during the proceedings. The Republic filed its Motion for Reconsideration but the same was denied by the RTC which affirmed the dismissal of the case as stated in its Order dated 17 May 2022.

On 23 January 2023, the Republic filed a Notice of Appeal. On July 30, 2024, the Court of Appeals issued a Resolution acknowledging receipt of the transmittal of records of the RTC, with directive to cure the defects therein within ten (10) days from notice. On August 30, 2024, the RTC replied to the directive of the Court of Appeals and explained the deficiencies in the transmittal of records. On October 8, 2024, the Court of Appeals issued its Resolution noting the explanation of the RTC, directing the parties to comment and manifest to the court if they are willing to dispense with the deficiencies in the records, and decide the case only on the available records, and forward the *rollo* of the case to the records division of the Court of Appeals to determine its completeness, and if so, issue the notice to file brief to the parties.

As of 25 November 2024, the parties have made their respective manifestations to dispense with the deficiencies in the records noted by the Court of Appeals.

Item 6. Compensation of Directors and Executive Officers

The aggregate compensation paid or incurred during the last two (2) fiscal years and the estimate for this year are as follows:

(1) President and four (4) most highly compensated executive officers

in million pesos	Year	Annual Compensation	Other Annual Compensation
President and four (4) most highly compensated executive officers	2025 (estimate)	47.19Mn	none
	2024	47.62Mn	none
	2023	44.68Mn	none
Year	Name		Position/Title
2024	Tristaneil D. Las Marias		President and Chief Executive Officer
	Ana Venus A. Mejia		Executive Vice-President, Chief Finance Officer, Treasurer
	Winnifred H. Lim		First Senior Vice-President, Chief Technical Planning Officer
	Francis V. Ceballos		Senior Vice President
	Maria Victoria M. Reyes-Beltran		Senior Vice President, General Counsel and Compliance Officer

The above compensation includes the usual bonus paid to the corporation's officers. Except for salaries, allowances, retirement benefits provided under FLI's retirement plan, there is no separate stock option, stock warrant or other security compensation arrangement between FLI and its individual officers.

(2) Compensation of directors and officers as a group

in million pesos	Year	Salary Bonuses	Other Annual Compensation
Aggregate Officers & Directors	2025 (estimate)	68.67Mn	none
	2024	68.73Mn	none

2023	49.73Mn	none
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The above table contains the details of the compensation of directors and officers of FLI. In view of possible security risks, FLI opted to disclose these on an aggregate basis as a group. Non-executive directors and/or independent directors receive a per diem of Php 50,000.00 for every Board meeting attended and Php50,000.00 for every Board committee meeting attended. Other than these fees, the non-executive directors do not receive any share options, profit sharing, bonus or other forms of emoluments. While being non-executive directors, Jonathan T. Gotianun, Lourdes Josephine Gotianun Yap, Michael Edward T. Gotianun and Francis Nathaniel C. Gotianun do not receive per diem in their capacity as directors of the Company and members of the board committees.

Total compensation received by the non-executive directors and/or independent directors for the year 2024 is Php2,550,000.00 for their attendance in meetings of the Board and Board Committees.

Other than as discussed in the Information Statement, there are no other existing arrangements for the payment of compensation or remuneration to the directors in their capacity as such, but the Company may, without any obligation, grant additional compensation if certain performance driven goals are met, subject to such approvals as may be required by law.

Involvement in Certain Legal Proceedings

Except for the following cases, none of the members of FLI's Board nor its executive officers are involved in any major criminal, bankruptcy or insolvency investigations or proceedings for the past five (5) years and up to 31 December 2024, nor have they been found by judgment or decree to have violated securities or commodities laws and enjoined from engaging in any business, securities, commodities or banking activities: (a) the complaint for syndicated estafa and usurpation of real property filed by Manuel Tee and Michael Mendoza against certain directors and officers of FLI on 2018, docketed as NPS No. XV-08-INV-18K-01075, which was dismissed by the Office of the City Prosecutor ("OCP") for Muntinlupa City and for which complainants' Motion for Reconsideration was already denied on February 24, 2020; (b) the complaint for estafa filed by Manila Paper Mills International, Inc. ("MPMII") with the OCP of Dasmariñas, Cavite against certain directors and an officer of FLI, which was dismissed, although MPMII filed a Petition for Review before the Secretary of Justice; and (c) the complaint for Violations of Presidential Decree No. 957 ("PD 957") filed by Spouses Jonathan and Imelda Ordoña, docketed as I.S. No. XV-07-INV-24J-04402 before the OCP of City of Manila, which was dismissed in through Resolution dated 31 October 2024."

Certain Relationships and Related Transactions

In the normal course of business, FLI and its subsidiaries and affiliates enter into certain related-party transactions principally consisting of advances and inter-company charges. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control of the Group's ultimate parent company (referred herein as "Affiliates"). Related parties may be individuals or corporate entities.

The transactions with related parties for the year ended 31 December 2024 are discussed in the

Company's 2024 Audited Financial Statements attached as **Annex "B"** to this Information Statement. Please see Note 21, pages 51 to 56 of the Notes to the Financial Statements accompanying the Company's 2024 Audited Financial Statements where the (a) business purpose of the arrangement; (b) identification of the related parties transacting business with the Company and nature of the relationship; and (c) any ongoing contractual or other commitments as a result of the arrangement, are stated. The transaction price for Related Party Transactions ("RPT") are as negotiated and on an arm's length basis. All material RPT with a transaction value that reaches ten percent (10%) of the Company's total assets are subject to the review and approval for fairness by the RPT Committee.

Item 7. Independent Public Accountants

The auditing firm of SGV & Co. is the current independent auditor of FLI. There have been no disagreements with SGV on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

FLI, in compliance with the Securities Regulation Code Rule 68(3)(b)(iv), relative to the seven-year rotation requirement of its external auditors, has designated Ms. Wanessa G. Salvador as its engagement partner starting calendar year 2020. Ms. Salvador is qualified to act as such until the year 2025.¹

The Audit and Risk Management Oversight Committee recommended the re-appointment of SGV & Co. as the Company's external auditor for the year 2025. The said recommendation was approved by the Board of Directors and will be presented for approval and ratification at the scheduled Annual Stockholders' Meeting. The representatives of SGV & Co. shall be present at the Annual Stockholders' Meeting where they will have the opportunity to make a statement if they desire to do so. They are expected to be available to respond to appropriate questions at the meeting.

Information on Independent Accountant

(a) Audit and Audit-Related Fees

In consideration for the following professional services rendered by SGV & Co. as the independent auditor of FLI:

1. the audit of FLI's Annual Financial Statements and such services normally provided by an external auditor in connection with statutory and regulatory filings or engagements for those fiscal years; and
2. other assurance and related services by SGV & Co. that are reasonably related to the performance of the audit or review of FLI's financial statements,

SGV & Co. billed FLI for audit fees totaling Php4.9 million and Php4.3 million for the years 2024 and 2023, respectively.

(b) Tax Fees

For each of the last two (2) fiscal years, SGV & Co. did not render services for tax accounting, compliance, advice and planning for which it billed FLI the corresponding professional fees.

¹ Ms. Salvador was appointed as engagement partner for FLI only on 2020, and thus should have until year 2026 within which to serve as such. However, given her appointment as engagement partner for FILRT on 2019, which is a material subsidiary of FLI, her seven-year limit for FLI will be reckoned from 2019.

(c) All Other Fees

In consideration for the professional services rendered by SGV & Co. in connection with FLI's Bond offerings, SGV billed FLI for professional service fees totaling Php1.5 million and Php4.3 million for 2024 and 2023, respectively.

In 2024, SGV also performed agreed upon procedures on the profit-sharing arrangement under the joint venture agreement of FLI and City Government of Cebu amounting to Php 0.82 million.

(d) Approval of Policies and Procedures of the Management and/or Audit & Risk Management Oversight Committee for Independent Accountant's Services

In giving its stamp of approval to the audit services rendered by the independent accountant and the rate of the professional fees to be paid, the Audit & Risk Management Oversight Committee, with inputs from Management of FLI, makes a prior independent assessment of the quality of audit services previously rendered by the accountant, the complexity of the transactions subject of the audit, and the consistency of the work output with generally accepted accounting standards. Thereafter, the Audit & Risk Management Oversight Committee makes the appropriate recommendation to the Board of Directors.

Item 8. Compensation Plans

There is no action to be taken at the Annual Stockholders' Meeting with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed which will require stockholders' approval.

D. ISSUANCE AND EXCHANGE OF SECURITIES

Item 9. Authorization or Issuance of Securities other than for Exchange

No action will be taken at the Annual Stockholders' Meeting with respect to authorization or issuance of securities.

Item 10. Modification or Exchange of Securities

There are no matters or actions to be taken up at the Annual Stockholders' Meeting with respect to the modification of the Company's securities or the issuance or authorization for issuance of one class of the Company's securities in exchange for outstanding securities of another class.

Item 11. Financial and Other Information

(a) Information Required

(1) Financial Statements

The Company's Audited Financial Statements for the year ended 31 December 2024 is attached herewith as **Annex "B"** to form an integral part hereof.

(2) Management's Discussion and Analysis

The Management's Discussion and Analysis is attached herewith as **Annex "C"** to form an integral part hereof.

Item 12. No Action to be Taken on Mergers, Consolidations, Acquisitions and Similar Matters

No action will be taken at the Annual Stockholders' Meeting with respect to any merger or consolidation involving FLI, the acquisition by FLI of another entity, going business or of all of the assets thereof, the sale or other transfer of all or any substantial part of the assets of FLI, or the liquidation or dissolution of FLI.

Item 13. No Action to be Taken on Acquisition or Disposition of Property

No action will be taken at the Annual Stockholders' Meeting with respect to any acquisition or disposition of property by FLI requiring the approval of the stockholders.

Item 14. No Action to be Taken on Restatement of Accounts

No action will be taken at the Annual Stockholders' Meeting with respect to any restatement of any asset, capital or surplus account of FLI.

E. OTHER MATTERS

Item 15. Action With Respect To Reports

1. Approval of the minutes of the last Annual Stockholders' Meeting held on 19 April 2024, hereto attached as **Annex "D"**;

Rationale: To allow the stockholders to confirm that the proceedings during the last Annual Stockholders' Meeting were recorded accurately and truthfully.

The minutes of the meeting held on 19 April 2024 can be viewed at the Company's website, https://filinvestland.com/sites/default/files/pdf_files/FLI_Minutes%20of%20the%20Annual%20Stockholders%20Meeting%20held%20on%20April%2024%2C%202023.pdf. A copy of the minutes is also attached as Annex "D" of this Information Statement.

2. Presentation of the Management's Report

Rationale: To present to the stockholders the Company's operating performance, financial condition and outlook.

The President and Chief Executive Officer, Mr. Tristaneil D. Las Marias, will report on the Company's 2024 performance and the outlook for 2025.

3. Ratification of the Audited Financial Statements for the year ended 31 December 2024

Rationale: To apprise the stockholders of the financial results of the Company's operations in 2024.

The Audited Financial Statements refer to the financial operations, balance sheet and income statement of FLI as of and for the year ended 31 December 2024. The Company's Audited Financial Statements for the year ended 31 December 2024 is attached herewith as **Annex "B"** to form an integral part hereof and will be made available on the Company's website.

Item 16. Matters Not Required To Be Submitted

There is no action to be taken at the annual stockholders' meeting with respect to any matter which is not required to be submitted to a vote of the stockholders.

Item 17. Amendment of Charter, By-laws or Other Documents

There is no action to be taken at the Annual Stockholders' Meeting with respect to any amendment of the Company's Articles of Incorporation or By-Laws.

Item 18. Other Proposed Action

1. General ratification of the acts of the Board of Directors, Board Committees (including the Executive Committee) and Management from the date of the last Annual Stockholders' Meeting up to the date of the upcoming meeting

Rationale: To ratify the actions and resolutions of the Board of Directors, Board Committees, and Management

The major acts of the Board of Directors, Board Committees and Management include:

- (a) Appointment of the members of the board committees
- (b) Appointment of officers
- (c) Appointment of authorized representatives and signatories for various corporate transactions and legal proceedings
- (d) Appointment of authorized representatives and signatories for applications for government registration, clearance, permits and licenses
- (e) Appointment and/or updating of bank signatories
- (f) Approval of agreements relating to the Company's projects and properties
- (g) Acquisition/Sale of properties
- (h) Renewal/avilment of bank services and credit facilities
- (i) Appointment of representatives in various transactions
- (j) Authority to avail the products and services of utilities companies for Corporations' buildings and projects including the collection of refund
- (k) Donation of land, roads, open spaces and the like pursuant to the provisions of the applicable laws
- (l) Approval of the updated Enterprise Risk Management Policy
- (m) Approval of the voluntary tender offer to purchase or reacquire up to One Billion Eight Hundred Sixty-Six Million (1,866,000,000) common shares with a par value of One Peso (Php1.00) per share, equivalent to approximately Seven and 69/100 Percent (7.69%) of the outstanding and listed shares of stock of FLI

in exchange of Filinvest REIT Corp. ("FILRT") shares owned by FLI, at an exchange ratio of 0.32 FILRT shares for every 1 FLI share tendered, and the appropriation of such amount of unrestricted retained earnings to cover the total value of the tender offer

- (n) Approval of the issuance of the Second Tranche of the Shelf Registration with the Securities and Exchange Commission under MSRD Order No. 16, Series of 2023, of up to Php12 Billion worth of fixed-rate peso denominated bonds with a maturity period of up to ten years
- (o) Approval of the Internal Audit Charter
- (p) Appropriation of Retained Earnings as of 31 December 2023 for its various projects
- (q) Appointment of external auditor
- (r) Approval of the schedule of Board and Board Committee meetings for 2025
- (s) Approval of the date of annual stockholders' meeting, record date, the agenda of the meeting, the guidelines for the conduct of annual stockholders' meeting via remote communication and the guidelines for voting in absentia
- (t) Approval of the audited financial statements as of and for the year ended 31 December 2024
- (u) Approval of the sale of its building namely "Festival Mall – Main Mall", consisting of a building and certain machinery and equipment therein that are owned by FLI, located at Filinvest City, Alabang, Muntinlupa City (the "Property") in exchange for an aggregate of 1,626,003,316 primary common shares of FILRT at an issue price of Php3.85 per share, with a total value of Six Billion Two Hundred Sixty Million One Hundred Twelve Thousand Seven Hundred Sixty-Six and 60/100 Pesos (Php 6,260,112,766.60) under a tax-free property-for-share swap transaction (the "Transaction").

2. Election of the members of the Board of Directors, including three (3) Independent Directors to serve for the year 2025-2026; and

Rationale: To allow stockholders to elect the Company's Board of Directors for the ensuing year.

In accordance with the Company's Revised Manual and Amended By-Laws, the stockholders must elect the members of the Board of Directors of the Company comprised of nine (9) directors, including three (3) independent directors, who shall hold office for a term of one (1) year, or until their successors shall have been duly elected and qualified. There will be an election of the members of the Board during the Annual Stockholders' Meeting to serve for the year 2025 to 2026.

The Corporate Governance Committee, convened as the Nominations Committee, will evaluate the nominees for the Board, including three (3) nominees for independent directors.

3. Appointment of External Auditor.

Rationale: To appoint an auditing firm to provide assurance on the integrity, objectivity and independence in the preparation of the Company's financial statements.

Item 19. Voting Procedures

(a) *Vote required for approval.*

The approval of the minutes of the Annual Stockholders' Meeting held on 19 April 2024, the ratification of the Audited Financial Statements for the year ended 2024, the ratification of corporate acts, and the appointment of external auditor for 2025, shall be decided by the majority vote of the stockholders present and entitled to vote thereat, a quorum being present. A stockholder voting electronically *in absentia* shall be deemed present for purposes of quorum.

In the election of the members of the Board of Directors, the candidates garnering the nine (9) highest number of votes shall be declared elected as directors of the Company to serve as such for the year 2025-2026.

(b) *Method by which votes will be counted.*

A stockholder may vote by appointing the Company's Chairman as proxy or electronically *in absentia* by registering at the online web address https://shareholders.filinvest.com.ph/FLI_SHAREHOLDERSYSTEM. After validation, the stockholder will receive an email with instructions to access the ballot. The ballots submitted shall then be counted by the Corporate Secretary, with the assistance of representatives of the Company's stock transfer agent, STSI, which is an independent party. The results of the voting shall be announced after each agenda item is taken up during such meeting.

Item 20. Participation of Stockholders by Remote Communication

In order for the Company to properly conduct validation procedures, stockholders who wish to participate in the meeting via remote communication and/or vote *in absentia* must register at https://shareholders.filinvest.com.ph/FLI_SHAREHOLDERSYSTEM on or before 14 April 2025.

Details of the requirements and process are provided in **Annex "E"**.

Item 21. Market for Issuer's Common Equity and Related Stockholder Matters

The common shares of the Company were listed on the PSE in 1993 under the symbol "FLI". The following table shows, for the periods indicated, the high, low and period end closing prices of the shares as reported in the PSE:

	Period	High	Low	End
2024	4 th Quarter	0.83	0.65	0.73
	3 rd Quarter	0.88	0.62	0.81
	2 nd Quarter	0.74	0.65	0.68
	1 st Quarter	0.72	0.58	0.68
2023	4 th Quarter	0.64	0.54	0.59
	3 rd Quarter	0.71	0.62	0.64
	2 nd Quarter	0.81	0.66	0.70
	1 st Quarter	0.92	0.70	0.75
2022	4 th Quarter	0.93	0.73	0.90

	3 rd Quarter	0.97	0.76	0.76
	2 nd Quarter	1.10	0.84	0.88
	1 st Quarter	1.12	1.01	1.08

On 28 February 2025, FLI's shares closed at the price of Php0.74 per share. The number of shareholders of record as of said date was 5,554. Common shares outstanding as of 28 February 2025 is 22,383,759,506.

The top 20 Stockholders of FLI's common shares as of 28 February 2025 are as follows:

<u>NAME</u>	<u>NO. OF SHARES</u>	<u>% OF TOTAL</u>
1. Filinvest Development Corporation	15,926,610,981	71.15%
2. PCD Nominee Corporation (Filipino)	4,181,347,442	18.68%
3. PCD Nominee Corporation (Non-Filipino)	1,915,751,875	8.56%
4. Pryce Gases, Inc.	73,746,603	0.33%
5. Philippines International Life Insurance Co. Inc.	60,000,000	0.27%
6. Michael Gotianun	11,235,913	0.05%
7. Lucio W. Yan &/or Clara Y. Yan	10,687,500	0.05%
8. Gillian Cindy T. Te	8,000,000	0.04%
9. Don Manuel Investments Corporation	6,222,744	0.03%
10. Executive Optical, Inc.	5,040,647	0.02%
11. Jonathan Dee Co	5,000,000	0.02%
12. Berck Y. Cheng or Alving Y. Cheng or Diana Y. Cheng or Cheryl Y. Cheng	5,000,000	0.02%
13. R Magdalena Bosch	4,877,928	0.02%
14. Luis L. Fernandez	4,064,940	0.02%
15. Marco Vicente P. Fernandez	4,064,940	0.02%
16. Luis Rodrigo P. Fernandez	4,064,940	0.02%
17. Enrique P. Fernandez	4,064,940	0.02%
18. Veronica P. Fernandez	4,064,940	0.02%
19. Carlo Bernardo P. Fernandez	4,064,940	0.02%
20. Team Gladiola, Inc.	3,828,000	0.02%

Filinvest Development Corporation holds 8,000,000,000 preferred shares.

Recent Sale of Unregistered Securities

No securities were sold within the past three (3) years which were not registered under the Revised Securities Act and/or the Securities Regulation Code.

Declaration of Dividends

On 8 January 2007, the Board of Directors approved an annual cash dividend payment ratio for the Company's issued shares of 20% of its consolidated net income from the preceding fiscal year, subject to the applicable laws and regulations and the absence of circumstances which may restrict the payment of such dividends. Circumstances which could restrict the payment of cash dividends, include, but are not limited to, when the Company undertakes major projects and developments requiring substantial cash expenditures or when it is restricted from paying cash dividends by its loan covenants. The Company's Board may, at any time, modify such

dividend pay-out ratio depending upon the results of operations and future projects and plans of the Company.

In 2024, FLI declared cash dividends to all stockholders of record as of 13 May 2024 in the amount of Php0.05 per common share and Php0.0005 per preferred share. Payment date was set on 05 June 2024.

In 2023, FLI declared cash dividends to all stockholders of record as of 12 May 2023 in the amount of Php0.036 per common share and Php0.00036 per preferred share. Payment date was set on 06 June 2023.

In 2022, FLI declared cash dividends to all stockholders of record as of 11 May 2022 in the amount of Php0.047 per common share and Php0.0004 per preferred share. Payment date was set on 02 June 2022.

In 2021, FLI declared two (2) tranches of cash dividends to all stockholders. The first tranche was cash dividend for the stockholders of record as of 21 May 2021 in the amount of Php0.0155 per common share and Php0.000155 per preferred share cash dividend for holders of preferred shares. Payment date was set on 15 June 2021. The second tranche of the cash dividend was for the stockholders of record as of 15 November 2021 in the amount of Php0.0155 per common share and Php0.000155 per preferred share. Payment date was set on 09 December 2021.

In 2020, FLI declared two (2) tranches of cash dividends to all stockholders. The first tranche was for the stockholders of record as of 10 July 2020 in the amount of Php0.0259 per share regular cash dividend and Php0.0065 per share special cash dividend for holders of common shares; and Php0.00032 per share cash dividend for holders of preferred shares. Payment date was set on 05 August 2020.

The second tranche was for the stockholders of record as of 16 November 2020 in the amount of Php0.0259 per share regular cash dividend and Php0.0065 per share special cash dividend for holders of common shares; and Php0.00032 per share cash dividend for holders of preferred shares. Payment date was set on 11 December 2020.

In 2019, FLI declared cash dividends to all stockholders of record as of 22 May 2019 in the amount of Php0.0619 per share, broken down as follows: a) Regular Cash Dividend of Php0.0486 per share; (b) Special Cash Dividend of Php0.0132 per share. Payment date was set on 17 June 2019.

In 2018, FLI declared cash dividends to all stockholders of record as of 20 April 2018 in the amount of Php0.0618 per share, broken down as follows: a) Regular Cash Dividend of Php0.0469 per share; (b) Special Cash Dividend of Php0.0149 per share. Payment date was set on 14 June 2018.

Compliance with Leading Practices on Corporate Governance

FLI is in substantial compliance with its Revised Manual for Corporate Governance as demonstrated by the following: (a) the election of three (3) independent directors to the Board; (b) the appointment of members of the Board Committees, namely the Executive Committee, the Audit & Risk Management Oversight Committee, the Compensation Committee, the Corporate Governance Committee, and the Related-Party Transaction Committee; (c) the

conduct of regular quarterly board meetings and special meetings with the faithful attendance of the directors at these meetings and their proper discharge of duties and responsibilities as such directors; (d) the submission of sustainability report; (e) the timely submission to the SEC of reports and disclosures required under the Securities Regulation Code; (f) the adoption of the updated Enterprise Risk Management Policy, (g) the adoption of the Internal Audit Charter, (h) FLI's adherence to national and local laws pertaining to its operations; and (i) the observance of applicable accounting standards by FLI.

There is no deviation from the Company's Revised Manual.

In order to keep itself abreast with the leading practices on corporate governance, FLI requires the members of the Board, its officers and top-level management to attend and participate in seminars on corporate governance conducted by SEC-accredited institutions. In this connection, the directors, officers and senior management officers of FLI, among others attended the Annual Corporate Governance Training conducted by the Center for Global Best Practices last 10 December 2024. FLI constantly reviews its Corporate Governance practices and welcomes proposals, especially from institutions and entities such as the SEC, PSE and the Institute of Corporate Directors (ICD), to improve corporate governance.

Information on the General Nature and Scope of the Business of FLI and its Subsidiaries

FLI is one of the Philippines' leading real estate developers in the country, providing a wide range of real estate products to customers, namely: socialized, affordable, middle-income and high-end residential lots and housing units, medium-rise and high-rise residential buildings, industrial parks, leisure developments such as farm estates, a residential resort development and private membership clubs.

Historically, FLI's business has focused on the development and sale of socialized, affordable and middle-income residential lots and housing units to lower and middle-income markets. In recent years, FLI has begun to develop and sell residential subdivisions and housing units across all income segments in the Philippines. FLI has also begun to develop themed residential projects with a leisure component, such as farm estates and developments anchored by sports and resorts clubs.

FLI also has leasing segments – commercial retail spaces for the mall tenants and merchants and office spaces for BPOs and traditional offices. It also has four (4) retail malls located in Filinvest City, Bacoar, Tagaytay and Cebu. FLI also leases out land or factory/warehouse buildings to industrial customers initially at the industrial and logistics parks at New Clark City and Laguna.

The subsidiaries of FLI are as follows:

- a. *Property Maximizer Professional Corp. (PROMAX)*, incorporated on 03 October 1997, is engaged in the business of real estate marketing. PROMAX markets and sells FLI's socialized, affordable, middle income, high-end and farm estate property development projects, its leasing operations and other real estate products of the Filinvest Group.
- b. *Home Pro Realty Marketing, Inc. (Home Pro)*, incorporated on 25 March 1997, is engaged in real estate marketing. Home Pro markets and sells FLI's socialized,

affordable, middle income, high-end and farm estate property development projects, its leasing operations and other real estate products of the Filinvest Group.

- c. *Property Specialists Resources, Inc. (PROSPER)*, incorporated on 10 June 2002, is engaged in the business of real estate marketing. PROSPER markets and sells FLI's socialized, affordable, middle income, high-end and farm estate property development projects, its leasing operations and other real estate products of the Filinvest Group. In addition, it also operates Quest Hotel and Conference Center in Cebu City which is owned by FLI.
- d. *Filinvest Asia Corporation (FAC)*, incorporated on 22 January 1997, is engaged in real property development. It owns jointly with the Philippine Bank of Communications the PBCom Tower, the tallest office building in the Philippines located at the corner of Ayala Avenue and V.A. Rufino Street, Legaspi Village, Makati City. FAC leases out to interested third parties the office spaces found in 26 of the PBCom Tower's 52 floors.
- e. *Filinvest REIT Corp. (FILRT)*, incorporated on 14 January 2000, is a Real Estate Investment Trust ("REIT") company. FILRT owns and manages IT-based buildings on certain parcels of land forming part of the Northgate Cyberzone in the Special Economic Zone of Filinvest Corporate City in Alabang, Muntinlupa City. On 02 July 2021, the SEC approved the change of its corporate name; primary purpose; and other relevant portions of its charter documents for it to qualify as a REIT company under the the REIT Act of 2009, including its Revised Implementing Rules and Regulations. FILRT was listed in the PSE on 12 August 2021. FLI, is the REIT sponsor of FILRT.
- f. *Filinvest AII Philippines, Inc. (FAPI)*, incorporated on 25 September 2006, is engaged in real property development. FAPI is developing residential and leisure projects in certain parts of the township community in San Mateo, Rizal, known as Timberland Heights.
- g. *Filinvest Cyberparks, Inc. (FCI)*, incorporated on 04 February 2014, is engaged in real estate property development and office leasing.
- h. *Festival Supermall, Inc. (FSI)*, incorporated on 21 March 1997, is engaged in the management of commercial centers.
- i. *FSM Cinemas, Inc. (FSMCI)*, incorporated on 23 April 1998, is engaged in the servicing, booking, and arranging of films, programs, shows, plays, and movies of all kinds, types, makes and colors for movie houses, theaters or cinemas and to exhibit, lease, rent, run or operate movie houses, theaters, cinemas, as well as supply equipment, machines and accessories needed in cinemas, theaters or movies houses.
- j. *Filinvest Lifemalls Corporation. (FLC)*, incorporated on 19 June 2006, is engaged in the acquisition of lands as investment property. FLC also invests or acquires interest in shares of stock, securities, and all other properties of whatever kind and nature.
- k. *Philippine DCS Development Corporation (PDDC)*, incorporated on 31 July 2015, is engaged in the business of building and operation of district cooling systems (DCS),

supply of chilled water and development of or search for new DCS for heating, ventilation, air-conditioning (HVAC) projects.

- l. *FCGC Corporation*, incorporated on 11 February 2016, was formed to engage in real estate property development. It was established by FLI for the purpose of developing the Clark Green City-Phase 1.
- m. *Filinvest BCDA Clark, Inc. (FBCI)*, incorporated on 16 March 2016, was formed to engage in real estate property development. FBCI is the joint venture company between FCGC Corporation, a wholly-owned subsidiary of FLI, and the Bases Conversion Development Authority (BCDA) for the development of the Clark Green City-Phase 1.
- n. *Filinvest Clark Mimosa, Inc.* incorporated on 23 January 2017, was formed to engage in real estate property development, including the development and lease of office buildings.
- o. *Filinvest Lifemalls Mimosa, Inc. (FLMI)*, incorporated on 23 January 2017, was formed to engage in real property development, including the development and management of retail spaces.
- p. *Property Leaders International Limited*, formed on 07 February 2017, is a company limited by shares and was registered at the territory of the British Virgin Islands.
- q. *Proleads Philippines, Inc. (PPI)*, incorporated on 29 March 2017, was formed for the purpose of providing management, organizational, and other administrative services and training, including but not limited to, the preparation of all template documents, record keeping, messenger services and other logistical coordination auxiliary to real estate transactions to be negotiated by Philippine-licensed real estate brokers in their personal professional capacities.
- r. *Realpros Philippines, Inc. (RPI)*, incorporated on 03 August 2017, was organized to provide administrative support services and skills training primarily through the use of information technology licensed softwares and systems to facilitate the preparation of template documents, record keeping, messengers services and other logistical coordination auxiliary to real estate transactions to be negotiated by Philippine-licensed real estate brokers in the personal professional capacities.
- s. *Filinvest Lifemalls Tagaytay, Inc. (FLTI)*, incorporated 20 November 2017, was formed to engage in real property development, including the development and management of retail spaces in Fora Tagaytay, Cavite.
- t. *Gintong Parisukat Realty and Development, Inc. (GPRDI)*, acquired in February 2018, is engaged in the acquisition of lands as investment properties. GPRDI also invests or acquires interest in shares of stock, securities, and all other properties of whatever kind and nature.
- u. *Timberland Sports and Nature Club, Inc. (TSNC)*, was formed in 12 May 2004 to develop and operate a recreational sports club for its members. On 01 August 2019, its business operations shifted to real estate development.

- v. *ProOffice Work Services, Inc. (PWSI)* was formed in 18 March 2019 to engage in the business of administration, maintenance and management of real estate developments and projects. It started commercial operations in August 2019. The corporation is the REIT property manager of FILRT.
- w. *Nature Specialists, Inc. (NSI)* was incorporated in 24 August 2018 for the development of hospitality projects such as hotels, inns, resorts and lodging houses.
- x. *FREIT Fund Managers, Inc. (FFMI)* was registered with the SEC on 13 April 2021 to engage in the business of providing fund management services to REIT companies, as provided under the REIT Act of 2009, including its Revised Implementing Rules and Regulations. FFMI is the REIT fund manager of FILRT.
- y. Co-Living Pro Managers Corp. (CPMC) was formed in 02 August 2021 to engage in the business of developing, operating, managing, and maintaining dormitels, lots and buildings whether owned or leased, to make such dormitels available for all clients for temporary stay as well as any and all services and facilities incidental thereto.
- z. OurSpace Solutions, Inc. (OSSSI) was registered with the SEC on 26 May 2022 to engage in the business of developing, operating, managing, and maintaining commercial buildings to be used as coworking spaces whether owned or leased, to make such coworking spaces available for all clients as flexible working spaces as well as any and all services and facilities incidental thereto.
- aa. Niyog Property Holdings, Inc. (NPHI), was registered with the SEC on 13 September 2005 to engage in the business of a holding company. On September 2023, FLI acquired 100% ownership of NPHI.
- bb. Cajel Realty Corporation (CRC), was registered with the SEC on 29 February 2008, was formed to engage in real estate property development. On September 2023, FLI acquired 100% ownership of CRC.
- cc. SJR Developers, Inc. (SJRDI), incorporated on 16 February 1998 to engage in real estate property development. On February 2023, FLI acquired 100% ownership of SJRDI.
- dd. Crystal Ball Realty & Management Inc. (CBRM), was registered with the SEC on 20 June 2006, was formed to engage in real estate property development.
- ee. Cloverleaf Holding Corporation (CHC), incorporated on 29 July 2005 to engage in real estate property development.

UNDERTAKING: FLI will provide without charge printed copies of its Annual Report on SEC Form 17-A to its stockholders upon receipt of a written request addressed to Atty. Katrina O. Clemente-Lua, Corporate Secretary, at the Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila. The Annual Report shall also be made available on the company website at <https://www.filinvestland.com/>.

**PART II
SIGNATURE PAGE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report is true, complete, and correct.

This report is signed in the City of Mandaluyong on the 13th day of March 2025.

FILINVEST LAND, INC.

By:


JENNIFER C. LEE
Assistant Corporate Secretary

FILINVEST LAND, INC.**SECRETARY'S CERTIFICATE**

I, **JENNIFER C. LEE**, Filipino, of legal age, and with office address at the Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City, Metro Manila, after having been duly sworn in accordance with law, hereby certify that:

1. I am the Assistant Corporate Secretary of **FILINVEST LAND, INC.** (the "Corporation"), a corporation duly organized and existing under the laws of the Republic of the Philippines, with principal office address at the Filinvest Building, 79 EDSA, Highway Hills, Mandaluyong City 1550, Metro Manila.

2. Based on the records of the Corporation, none of its incumbent directors and executive officers named in the Corporation's Information Statement (SEC Form 20-IS) for the Annual Stockholders' Meeting to be held on 24 April 2025 is connected with and/or working in the government.

3. This Certification is being issued as an annex to the Information Statement (SEC Form 20-IS) of the Corporation in connection with its Annual Stockholders' Meeting for the year 2025.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of March 2025 in Mandaluyong City, Metro Manila.


JENNIFER C. LEE
 Assistant Corporate Secretary

SUBSCRIBED AND SWORN to before me this 13th day of March 2025 in Mandaluyong City, Metro Manila, affiant exhibiting to me her Philippine Passport No. _____, as competent evidence of her identity, bearing her photograph and signature, issued by the Department of Foreign Affairs.

Doc. No. 84 ;
 Page No. 18 ;
 Book No. 11 ;
 Series of 2025.

File No. 1.4.3
 FLI_Certification_2025 IS/Ryan

JOVEN G. SEJELLANO
 NOTARY PUBLIC FOR CITY OF MANDALUYONG
 COMMISSION NO. 0285-25 VALID UNTIL DECEMBER 31, 2026
 ROLL NO. 53970(S)
 IBP LIFETIME NO. 011302; 12-28-12; RIZAL
 PTR NO. 5708102; 1-2-25; MANDALUYONG
 MCLE EXEMPTION NO. VII-ACAD004023 14 APRIL 2028
 UG 03 CITYLAND SHAW TOWER
 SHAW BOULEVARD, MANDALUYONG CITY

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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COMPANY NAME

F	I	L	I	N	V	E	S	T		L	A	N	D	,		I	N	C	.		A	N	D		S	U	B	S	I
D	I	A	R	I	E	S																							

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

F	i	l	i	n	v	e	s	t		B	u	i	l	d	i	n	g	,		7	9		E	D	S	A	,		B
r	g	y	.		H	i	g	h	w	a	y		H	i	l	l	s	,		M	a	n	d	a	l	u	y	o	n
g		C	i	t	y																								

Form Type

A	A	C	F	S
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Department requiring the report

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Secondary License Type, If Applicable

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COMPANY INFORMATION

Company's Email Address

Company's Telephone Number

7918-8188

Mobile Number

No. of Stockholders

5,556

Annual Meeting (Month / Day)

Every 2nd to the last Friday of April Each Year
--

Fiscal Year (Month / Day)

12/31

CONTACT PERSON INFORMATIONThe designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

Ms. Venus A. Mejia

Email Address

venus.mejia@filinvestgroup.com

Telephone Number/s

7918-8188

Mobile Number

CONTACT PERSON'S ADDRESS

79 EDSA, Brgy. Highway Hills, Mandaluyong City

NOTE 1: In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.



STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **FILINVEST LAND, INC. and SUBSIDIARIES** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended **December 31, 2024, 2023 and 2022**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

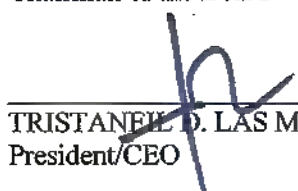
The Board of Directors is responsible for overseeing the Company's financial reporting process.

The Board of Directors reviews and approves the financial statements including the schedules attached therein and submits the same to the stockholders.

SyCip Gorres Velayo & Co., the independent auditor, appointed by the stockholders has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.



JONATHAN T. GOTIANUN
Chairman of the Board



TRISTANEE D. LAS MARIAS
President/CEO



ANA VENUS A. MEJIA
EVP - Treasurer and CFO

Signed this 16th day of February, 2025

Doc. No. 212
Page No. 44
Book No. XVI
Series of 20 25


ATTY. GERVACIO B. ORTIZ JR.
Notary Public City of Makati
Until December 31, 2026
IBP No. 05729-Lifetime Member
MCLE Compliance No. VH-0022734
valid until April 14, 2025
Appointment No. M-007 (2025-2026)
PTR No. 10468005 Jan. 2, 2025/Makati
Makati City Roll No. 40091
101 Urban Ave. Campos Ruada Bldg.
Brgy. Pio Del Pilar, Makati City

SUBSCRIBED AND SWORN to before me this FEB 26 2025 at Makati City, affiant exhibited to ID No. _____ of _____

INDEPENDENT AUDITOR'S REPORT

The Stockholders and the Board of Directors
Filinvest Land, Inc.
Filinvest Building, 79 EDSA,
Brgy. Highway Hills, Mandaluyong City

Opinion

We have audited the accompanying consolidated financial statements of Filinvest Land, Inc. (the Parent Company) and its subsidiaries (collectively referred to as “the Group”), which comprise the consolidated statements of financial position as at December 31, 2024 and 2023, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2024, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2024 and 2023, and its financial performance and its cash flows for the three years in the period ended December 31, 2024 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Real Estate Revenue Recognition

The Group's revenue recognition process, policies and procedures are significant to our audit because these involve application of significant judgment and estimation in the following areas: (1) assessment of the probability that the entity will collect the consideration from the buyer; (2) determination of the transaction price; and (3) application of the output method as the measure of progress in determining real estate revenue.

In evaluating whether collectability of the amount of consideration is probable, the Group considers the significance of the buyer's initial payments in relation to the total contract price (or buyer's equity). Collectability is also assessed by considering factors such as history with the buyer, age of residential development receivables and pricing of the property. Management regularly evaluates the historical sales cancellations and back-outs if it would still support its current threshold of buyer's equity before commencing revenue recognition.

Effective January 1, 2024, the Group adopted Philippine Interpretations Committee (PIC) Q&A 2018-12-D (as amended by PIC Q&A 2020-04) in assessing if the transaction price includes significant financing component. The Group applied the modified retrospective in its initial adoption.

In measuring the progress of its performance obligation over time, the Group uses the output method. This method measures progress based on physical proportion of work done on the real estate project which requires technical determination by the Group's project engineers and third-party project managers.

The disclosures related to the real estate revenue are included in Note 6 to the consolidated financial statements.

Audit Response

For the buyers' equity, we evaluated management's basis of the buyer's equity by comparing this to the historical analysis of sales cancellations from buyers with accumulated payments above the collection threshold.

For the determination of the transaction price, we obtained an understanding of the Group's process in implementing PIC Q&A 2018-12-D (as amended by PIC Q&A 2020-04), including the determination of the population of contracts with customers related to real estate sale, the selection of the transition approach and election of available practical expedient. We obtained the financing component calculation of the management which includes an analysis whether the financing component of the Group's contract with customers is significant. We selected sample contracts from the sales contract database and trace these selected contracts to the calculation prepared by management. For selected contracts, we traced the underlying data and assumptions used in the financing component calculation such as contract price, cash discount, payment scheme, payment amortization table and percentage of completion to the contract provision and projected percentage of completion schedule. We also recomputed the financing component for each sample selected.



For the application of the output method in determining real estate revenue, we obtained an understanding of the Group's processes for determining the percentage of completion (POC) and performed tests of the relevant controls. We inspected the certified POC reports prepared by the internal project engineers for mid-rise real estate development and third-party project managers for high-rise real estate development and assessed their competence, capabilities and objectivity by reference to their qualifications, experience and reporting responsibilities. For selected projects, we conducted ocular inspections, made relevant inquiries and inspected the supporting details of POC reports showing the completion of the major activities of the project construction.

Other Information

Management is responsible for Other Information. Other Information comprises the information included in SEC Form 20 IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024, but does not include the consolidated financial statements and our auditor's report thereon. SEC Form 20 IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2024 are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover Other Information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the Other Information identified above when it becomes available and, in doing so, consider whether such information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.



Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report, unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is
Wanessa G. Salvador.

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-137-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10465379, January 2, 2025, Makati City

February 26, 2025



FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in Thousands of Pesos)

	December 31	
	2024	2023
ASSETS		
Current Assets		
Cash and cash equivalents (Notes 7 and 21)	₱3,984,191	₱5,732,008
Contracts receivables (Notes 6 and 8)	2,178,282	1,837,829
Contract assets (Notes 6)	5,785,979	4,745,827
Other receivables (Notes 9)	3,563,392	3,465,056
Real estate inventories (Note 10)	69,967,114	72,634,830
Other current assets (Notes 6 and 11)	8,263,851	7,192,434
Total Current Assets	93,742,809	95,607,984
Noncurrent Assets		
Contract assets - net of current portion (Notes 6)	2,653,114	5,037,942
Investments in associates (Note 12)	5,321,210	5,219,900
Investment properties (Note 13)	85,041,035	79,659,336
Property and equipment (Note 14)	5,812,719	5,673,012
Goodwill (Note 4)	4,567,242	4,567,242
Build-transfer-operate (BTO) rights (Note 16)	6,329,162	6,387,598
Deferred income tax assets (Note 29)	96,032	48,483
Other noncurrent assets (Note 17)	3,316,328	2,274,580
Total Noncurrent Assets	113,136,842	108,868,093
TOTAL ASSETS	₱206,879,651	₱204,476,077

LIABILITIES AND EQUITY

Current Liabilities		
Accounts payable and accrued expenses (Notes 18)	₱10,947,076	₱12,551,165
Contract liabilities (Note 6)	586,257	792,402
Current portion of lease liabilities (Note 15)	155,891	175,459
Due to related parties (Notes 21)	244,141	488,486
Income tax payable	71,732	21,557
Current portion of loans payable (Notes 19)	6,876,639	16,480,438
Current portion of bonds payable (Notes 20)	14,815,944	1,697,345
Total Current Liabilities	33,697,680	32,206,852

(Forward)



	December 31	
	2024	2023
Noncurrent Liabilities		
Loans payable - net of current portion (Notes 19)	₱35,156,005	₱20,507,489
Bonds payable - net of current portion (Notes 20)	21,040,644	35,771,167
Contract liabilities - net of current portion (Note 6)	24,156	149,949
Lease liabilities - net of current portion (Note 15)	6,774,447	6,544,402
Net retirement liabilities (Note 26)	398,736	437,193
Deferred income tax liabilities - net (Note 29)	4,817,004	5,649,153
Accounts payable and accrued expenses - net of current portion (Note 18)	11,635,467	8,938,003
Total Noncurrent Liabilities	79,846,459	77,997,356
Total Liabilities	113,544,139	110,204,208
Equity		
Common stock (Note 27)	24,470,708	24,470,708
Preferred stock (Note 27)	80,000	80,000
Additional paid-in capital	5,612,321	5,612,321
Treasury stock (Note 27)	(2,078,084)	(221,041)
Retained earnings (Note 27)		
Unappropriated	37,302,240	57,061,525
Appropriated	24,813,773	5,000,000
Revaluation reserve on financial assets at fair value through other comprehensive income	(2,619)	(2,619)
Remeasurement gains on retirement plan - net of tax (Note 26)	47,521	47,521
Share in other components of equity of associates (Note 12)	372,449	372,449
Equity attributable to equity holders of the parent	90,618,309	92,420,864
Noncontrolling interests (Notes 1 and 32)	2,717,203	1,851,005
Total Equity	93,335,512	94,271,869
TOTAL LIABILITIES AND EQUITY	₱206,879,651	₱204,476,077

See accompanying Notes to Consolidated Financial Statements.



FILINVEST LAND, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF INCOME**

(Amounts in Thousands of Pesos, Except Earnings Per Share Figures)

	Years Ended December 31		
	2024	2023	2022
REVENUE			
Real estate sales (Note 6)	₱15,392,761	₱14,486,506	₱12,836,056
Rental and related services (Notes 6, 13, 15 and 16)	7,848,093	7,200,950	6,350,408
Total revenue	23,240,854	21,687,456	19,186,464
EQUITY IN NET EARNINGS OF ASSOCIATES (Note 12)	359,036	242,007	78,956
OTHER INCOME			
Interest income (Note 24)	319,088	283,978	367,052
Others - net (Notes 21 and 25)	526,920	340,893	311,874
	24,445,898	22,554,334	19,944,346
COSTS			
Real estate sales (Note 10)	7,354,898	8,101,485	7,354,689
Rental and related services (Notes 13 and 16)	3,583,370	3,122,342	2,583,493
OPERATING EXPENSES			
General and administrative expenses (Note 22)	2,623,353	2,584,596	2,313,062
Selling and marketing expenses (Note 23)	1,558,159	1,370,135	1,150,643
INTEREST AND OTHER FINANCE CHARGES (Note 24)	3,685,747	2,434,393	2,294,243
	18,805,527	17,612,951	15,696,130
INCOME BEFORE INCOME TAX	5,640,371	4,941,383	4,248,216
PROVISION FOR INCOME TAX (Note 29)	1,004,635	645,339	727,079
NET INCOME	₱4,635,736	₱4,296,044	₱3,521,137
Net income attributable to:			
Equity holders of the parent	₱4,168,468	₱3,765,388	₱2,889,915
Noncontrolling interest	467,268	530,656	631,222
	₱4,635,736	₱4,296,044	₱3,521,137
Basic/Diluted Earnings Per Share (Note 28)	₱0.17	₱0.16	₱0.12

See accompanying Notes to Consolidated Financial Statements.



FILINVEST LAND, INC. AND SUBSIDIARIES**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME****(Amounts in Thousands of Pesos)**

	Years Ended December 31		
	2024	2023	2022
NET INCOME	₱4,635,736	₱4,296,044	₱3,521,137
OTHER COMPREHENSIVE INCOME (LOSS)			
Other comprehensive income (loss) not to be reclassified to profit or loss			
Remeasurement gains (loss) on retirement plan, net of tax (Notes 26 and 29)	—	(20,664)	84,354
TOTAL COMPREHENSIVE INCOME	₱4,635,736	₱4,275,380	₱3,605,491
Total comprehensive income attributable to:			
Equity holders of the parent	₱4,168,468	₱3,744,724	₱2,974,269
Noncontrolling interest	467,268	530,656	631,222
	₱4,635,736	₱4,275,380	₱3,605,491

See accompanying Notes to Consolidated Financial Statements.

FILINVEST LAND, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands of Pesos)

	Attributable to Equity Holders of the Parent											
	Common Stock (Note 27)	Preferred Stock (Note 27)	Additional Paid-in Capital	Treasury Stock (Note 27)	Unappropriated Retained Earnings (Note 27)	Appropriated Retained Earnings (Note 27)	Revaluation Reserve on Financial Assets at FVOCI (Note 17)	Remeasurement Gains (Losses) on Retirement Plan (Note 26)	Share in Other Components of Equity of an Associate (Note 12)	Total	Noncontrolling Interest (Note 32)	Total Equity
For the Year Ended December 31, 2024												
Balances as at January 1, 2024, as previously stated	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱57,061,525	₱5,000,000	(₱2,619)	₱47,521	₱372,449	₱92,420,864	₱1,851,005	₱94,271,869
Effect of adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) (Note 2)	—	—	—	—	(3,720,934)	—	—	—	—	(3,720,934)	—	(3,720,934)
Balances as at January 1, 2024, as restated	24,470,708	80,000	5,612,321	(221,041)	53,340,591	5,000,000	(2,619)	₱47,521	372,449	88,699,930	1,851,005	90,550,935
Net income	—	—	—	—	4,168,468	—	—	—	—	4,168,468	467,268	4,635,736
Other comprehensive income	—	—	—	—	—	—	—	—	—	—	—	—
Total comprehensive income	—	—	—	—	4,168,468	—	—	—	—	4,168,468	467,268	4,635,736
Reversal of appropriation (Note 27)	—	—	—	—	5,000,000	(5,000,000)	—	—	—	—	—	—
Appropriation during the year (Note 27)	—	—	—	—	(24,813,773)	24,813,773	—	—	—	—	—	—
Dividends declared (Note 27)	—	—	—	—	(1,216,488)	—	—	—	—	(1,216,488)	—	(1,216,488)
Change in noncontrolling interest (Note 27)	—	—	—	(1,857,043)	823,442	—	—	—	—	(1,033,601)	1,033,601	—
Dividend distribution to noncontrolling interest (Note 32)	—	—	—	—	—	—	—	—	—	—	(634,671)	(634,671)
Balances as at December 31, 2024	₱24,470,708	₱80,000	₱5,612,321	(₱2,078,084)	₱37,302,240	₱24,813,773	(₱2,619)	₱47,521	₱372,449	₱90,618,309	₱2,717,203	₱93,335,512

	Attributable to Equity Holders of the Parent										Noncontrolling Interest (Note 32)	Total Equity
	Common Stock (Note 27)	Preferred Stock (Note 27)	Additional Paid-in Capital	Treasury Stock (Note 27)	Unappropriated Retained Earnings (Note 27)	Appropriated Retained Earnings (Note 27)	Revaluation Reserve on Financial Assets at FVOCI (Note 17)	Remeasurement Gains (Losses) on Retirement Plan (Note 26)	Share in Other Components of Equity of an Associate (Note 12)	Total		
For the Year Ended December 31, 2023												
Balances as at January 1, 2023	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱54,172,008	₱5,000,000	(₱2,619)	₱68,185	₱372,449	₱89,552,011	₱1,950,730	₱91,502,741
Net income	—	—	—	—	3,765,388	—	—	—	—	3,765,388	530,656	4,296,044
Other comprehensive loss	—	—	—	—	—	—	—	(20,664)	—	(20,664)	—	(20,664)
Total comprehensive income	—	—	—	—	3,765,388	—	—	(20,664)	—	3,744,724	530,656	4,275,380
Dividends declared (Note 27)	—	—	—	—	(875,871)	—	—	—	—	(875,871)	—	(875,871)
Change in noncontrolling interest	—	—	—	—	—	—	—	—	—	—	30,000	30,000
Dividend distribution to noncontrolling interest (Note 32)	—	—	—	—	—	—	—	—	—	—	(660,381)	(660,381)
Balances as at December 31, 2023	₱24,470,708	₱80,000	₱5,612,321	(₱221,041)	₱57,061,525	₱5,000,000	(₱2,619)	₱47,521	₱372,449	₱92,420,864	₱1,851,005	₱94,271,869



Attributable to Equity Holders of the Parent

	Common Stock (Note 27)	Preferred Stock (Note 27)	Additional Paid-in Capital	Treasury Stock (Note 27)	Unappropriated Retained Earnings (Note 27)	Appropriated Retained Earnings (Note 27)	Revaluation Reserve on Financial Assets at FVOCI (Note 17)	Remeasurement Gains (Losses) on Retirement Plan (Note 26)	Share in Other Components of Equity of an Associate (Note 12)	Total	Noncontrolling Interest (Note 32)	Total Equity
For the Year Ended December 31, 2022												
Balances as at January 1, 2022	P24,470,708	P80,000	P5,612,321	(P221,041)	P52,425,032	P5,000,000	(P2,619)	(P16,169)	P372,449	P87,720,681	P2,069,543	P89,790,224
Net income	—	—	—	—	2,889,915	—	—	—	—	2,889,915	631,222	3,521,137
Other comprehensive income	—	—	—	—	—	—	—	84,354	—	84,354	—	84,354
Total comprehensive income	—	—	—	—	2,889,915	—	—	84,354	—	2,974,269	631,222	3,605,491
Dividends declared (Note 27)	—	—	—	—	(1,142,939)	—	—	—	—	(1,142,939)	—	(1,142,939)
Dividend distribution to noncontrolling interest (Note 32)	—	—	—	—	—	—	—	—	—	—	(750,035)	(750,035)
Balances as at December 31, 2022	P24,470,708	P80,000	P5,612,321	(P221,041)	P54,172,008	P5,000,000	(P2,619)	P68,185	P372,449	P89,552,011	P1,950,730	P91,502,741

See accompanying Notes to Consolidated Financial Statements.



FILINVEST LAND, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands of Pesos)

	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Income before income tax	₱5,640,371	₱4,941,383	₱4,248,216
Adjustments for:			
Interest expense and amortization of transaction costs (Note 24)	3,598,138	2,294,148	2,272,368
Depreciation and amortization (Notes 13, 14 and 16)	2,143,097	1,593,382	1,630,038
Equity in net earnings of associates (Note 12)	(359,036)	(242,007)	(78,956)
Interest income (Note 24)	(319,088)	(283,978)	(367,052)
Pension expense, net of contribution and benefits paid (Note 26)	(38,457)	(21,667)	59,619
Operating income before changes in operating assets and liabilities	10,665,025	8,281,261	7,764,233
Changes in operating assets and liabilities			
Decrease (increase) in:			
Contracts receivable	(340,453)	291,052	3,209,050
Contract assets	1,344,676	699,187	(2,152,381)
Other receivables	(98,336)	(563,050)	(191,543)
Real estate inventories	(3,645,527)	(178,552)	(1,830,758)
Other assets	(2,113,165)	(620,751)	(1,180,817)
Increase (decrease) in:			
Accounts payable and accrued expense	1,237,644	1,929,113	1,209,113
Contract liabilities	(331,938)	(353,011)	(650,234)
Cash generated from operations	6,717,926	9,485,249	6,176,663
Income taxes paid, including creditable withholding taxes	(22,487)	(576,492)	(409,321)
Interest received	319,088	283,978	367,052
Net cash provided by operating activities	7,014,527	9,192,735	6,134,394
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to:			
Investment properties and property and equipment (Notes 13 and 14)	(5,026,191)	(3,645,532)	(7,618,103)
Build-transfer-operate (BTO) rights (Note 16)	(19,947)	(865,248)	(1,396,784)
Investment in associates (Note 12)	—	—	(10,972)
Investment in bonds (Note 17)	—	—	(150,000)
Dividends received from associate (Note 12)	257,726	167,125	—
Net cash used in investing activities	(4,788,412)	(4,343,655)	(9,175,859)

(Forward)



	Years Ended December 31		
	2024	2023	2022
CASH FLOWS FROM FINANCING			
ACTIVITIES (Note 36)			
Proceeds from availment of:			
Loans payable (Note 19)	₱38,095,000	₱24,660,100	₱12,814,900
Bonds payable (Note 20)	—	11,430,800	11,900,000
Increase in noncontrolling interest (Notes 1 and 32)	—	30,000	—
Payments of:			
Loans payable (Note 19)	(32,910,712)	(20,528,712)	(12,160,435)
Bonds payable (Note 20)	(1,699,995)	(15,035,400)	(7,000,000)
Cash dividend (Note 27)	(1,216,488)	(875,871)	(1,140,525)
Interest and transaction costs	(5,300,228)	(4,118,521)	(3,851,408)
Lease liabilities (Note 15)	(408,907)	(372,444)	(360,103)
Dividends paid to noncontrolling interest (Note 32)	(634,671)	(660,381)	(750,035)
Increase (decrease) in amounts due to related parties	102,069	(265,778)	549,946
Net cash provided by (used in) financing activities	(3,973,932)	(5,736,207)	2,340
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,747,817)	(887,127)	(3,039,125)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	5,732,008	6,619,135	9,658,260
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 7)	₱3,984,191	₱5,732,008	₱6,619,135

See accompanying Notes to Consolidated Financial Statements.



FILINVEST LAND, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Filinvest Land, Inc. (the “Parent Company” or “FLI”) is a property developer engaged mainly in the development of residential subdivisions, construction of housing units and leasing activities. It was incorporated and is domiciled in the Philippines where its shares are publicly traded. Formerly Citation Homes, Inc., the Parent Company was incorporated on November 24, 1989 and later changed to its present name on July 12, 1993. The Parent Company and its subsidiaries (collectively referred to as “the Group”) offer a range of real estate products from socialized and affordable housing to middle-income and high-end housing, various types of subdivision lots, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, condotels, and condominium buildings. The Group also leases out commercial and office spaces in Muntinlupa City, Makati City, Pasay City, Cebu City, Tagaytay City, Cavite, and Clark Mimosa, its major locations for leasing.

The Group’s parent company is Filinvest Development Corporation (FDC), a publicly listed entity. A.L. Gotianun, Inc. (ALG) is the Group’s ultimate parent company. FDC and ALG were incorporated in the Philippines.

The Parent Company’s registered business address is at Filinvest Building, 79 E. Delos Santos Ave. (EDSA), Brgy. Highway Hills, Mandaluyong City.

On July 14, 2023, FLI entered into a Share Purchase Agreement with Rizal Commercial Banking Corporation (RCBC) to purchase all outstanding shares of stock of Niyog Property Holdings, Inc. (NPHI) and Cajel Realty Corporation (CRC) for a total consideration of ₱633.26 million payable over until July 5, 2028, taking over the two latter companies’ joint land development activities in Bacoar City, Cavite.

On December 28, 2022, Filinvest Alabang, Inc. (FAI) entered into a Deed of Absolute Sale of Shares to sell portion of its interest in Pro-Excel Property Managers, Inc. (Pro-Excel) to FLI for a total consideration of ₱10.97 million. The resulting ownership interest of FLI in Pro-Excel after the transfer is 47.5%. The primary purpose of Pro-Excel is to engage in the business of administration, maintenance and management of real estate development, controlled development projects and subdivision projects (Note 12).

On December 14, 2022, FLI entered into a Deed of Assignment to purchase 100% ownership in SJR Developers, Inc. (SDI). Total acquisition price amounted to ₱0.60 million. The primary purpose of SDI is to own, use, improve, develop, subdivide, sell, exchange, lease and hold for investment or otherwise, real estate of all kinds, including buildings, houses, apartment and other structures. The acquisition of SDI has no material effect to the consolidated financial statements.

On May 26, 2022, OurSpace Solutions, Inc. (OSI), a wholly owned subsidiary of FLI, was incorporated with primary purpose of developing, operating, managing and maintaining commercial buildings to be used as coworking spaces. On May 22, 2023, OSI issued a resolution authorizing the issuance of additional shares out of its unissued authorized capital stock, pursuant to the provisions of the Joint Venture Agreement entered into by KMC Community, Inc. (KCI) and FLI.



On August 2, 2023, FLI subscribed to an additional 45 million common shares for a total consideration of ₱45.00 million. On the same date, a Subscription Agreement was executed to issue the 30 million common shares of OSI to KCI, resulting in FLI's 70% ownership in OSI for a total consideration of ₱30.00 million. OSI has started commercial operations on November 1, 2023.

Approval of the Consolidated Financial Statements

The consolidated financial statements as of December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024 were approved and authorized for issue by the Board of Directors (BOD) on February 26, 2025.

2. Material Accounting Policy Information

Basis of Preparation

The consolidated financial statements are prepared using the historical cost basis, except for financial assets at fair value through other comprehensive income (FVOCI) that are measured at fair value. The Group's consolidated financial statements are presented in Philippine Peso (₱), which is also the functional currency of the Parent Company, its subsidiaries and associates. Amounts are in thousand ₱ except as otherwise indicated.

The consolidated financial statements provide comparative information in respect of the previous period.

Statement of Compliance

The consolidated financial statements of the Group have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as of December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024. The nature of business and the corresponding percentages of ownership over these entities are as follows. The voting rights held by the Group in these subsidiaries are in proportion to its ownership interest where:

Subsidiaries	Nature of Business	2024	2023	2022
Filinvest AII Philippines, Inc. (FAPI)	Real estate developer	100%	100%	100%
FCGC Corporation (FCGCC)	Real estate developer	100%	100%	100%
Filinvest BCDA Clark, Inc. (FBCI) ¹	Real estate developer	55%	55%	55%
Gintong Parisukat Realty and Development Inc. (GPRDI)	Real estate developer	100%	100%	100%
Homepro Realty Marketing, Inc. (Homepro)	Real estate developer	100%	100%	100%
SJR Developers, Inc. (SDI)	Real estate developer	100%	100%	100%
Niyog Property Holdings, Inc. (NPHI) ²	Real estate developer	100%	100%	—
Cajel Realty Corporation (CRC) ²	Real estate developer	100%	100%	—
Crystal Ball Realty & Management, Inc. (CBRM) ³	Real estate developer	100%	100%	100%
Cloverleaf Holdings Corporation (CHC) ³	Real estate developer	100%	100%	100%

(Forward)



Subsidiaries	Nature of Business	2024	2023	2022
Filinvest REIT Corp. (FILRT) ⁴	Leasing	51%	63%	63%
Filinvest Asia Corporation (FAC)	Leasing	60%	60%	60%
Filinvest Cyberparks, Inc. (FCI)	Leasing	100%	100%	100%
Filinvest Clark Mimosa, Inc. (FCMI)	Leasing	100%	100%	100%
Festival Supermall, Inc. (FSI)	Property management	100%	100%	100%
Filinvest Lifemalls Corporation (FLC)	Property management	100%	100%	100%
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Property management	100%	100%	100%
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Property management	100%	100%	100%
ProOffice Works Services, Inc. (ProOffice)	Property management	100%	100%	100%
Property Specialist Resources, Inc. (Prosper)	Property management	100%	100%	100%
Co-Living Pro Managers Corp. (CPMC)	Property management	100%	100%	100%
FSM Cinemas, Inc. (FSM Cinemas) ⁵	Theater operator	60%	60%	60%
Philippine DCS Development Corporation (PDDC)	District cooling systems, builder and operator	60%	60%	60%
Timberland Sports and Nature Club, Inc. (TSNC)	Recreational Sports and Natures Club	98%	98%	98%
Nature Specialists, Inc. (NSI)	Recreational Sports and Natures Club	75%	75%	75%
Leisurepro, Inc. (Leisurepro)	Marketing	100%	100%	100%
Proleads Philippines, Inc. (PPI)	Marketing	100%	100%	100%
Property Leaders International Limited (PLIL)	Marketing	100%	100%	100%
Property Maximizer Professional Corp. (Promax)	Marketing	100%	100%	100%
Realpros Philippines, Inc. (RPI)	Marketing	100%	100%	100%
FREIT Fund Managers, Inc. (FFMI)	Fund Manager	100%	100%	100%
OurSpace Solutions, Inc. (OSI) ⁶	Coworking spaces	70%	70%	100%

Notes:

- FBCI is owned indirectly through FCGCC.*
- NPHI and CRC were acquired in 2023 (see Note 1).*
- CBRM and CHC were acquired in previous years and were accounted for as asset acquisitions and not as business combination. Acquisition cost amounted to ₱80.06 million and ₱39.59 million for CBRM and CHC, respectively.*
- FLI's ownership interest in FILRT was reduced to 51% in 2024 mainly as a result of FLI's voluntary tender offer (see Note 27).*
- FSM Cinemas is owned indirectly through FSI.*
- On August 2, 2023, a Subscription Agreement was executed to issue the 30 million common shares of OSI to KCI, resulting to FLI's 70% ownership in OSI (see Note 1).*

Except PLIL which was incorporated in British Virgin Islands, all of the Parent Company's subsidiaries were incorporated in the Philippines. The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies.



None of the foregoing subsidiaries has been a party to any bankruptcy, receivership or similar proceedings and has not undergone or entered into any material classification, merger, consolidation (except as disclosed elsewhere in this report), purchase or sale of a significant amount of assets outside the ordinary course of business.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statement from the date the Group gains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Parent Company and to the noncontrolling interests, even if this results in the noncontrolling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

If the Group loses control over a subsidiary, it derecognized the related assets (including goodwill), liabilities, noncontrolling interest and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value.

Noncontrolling Interest

Noncontrolling interest represents the portion of profit or loss and net assets not owned, directly or indirectly, by the Group. Any losses applicable to the noncontrolling interests are allocated against the interests of the noncontrolling interest even if this results to the noncontrolling interest having a deficit balance. The acquisition of an additional ownership interest in a subsidiary without a change of control is accounted for as an equity transaction. Any excess or deficit of consideration paid over the carrying amount of the noncontrolling interest is recognized in equity under "Retained Earnings" of the parent in transactions where the noncontrolling interest are acquired or sold without loss of control.

Business Combinations Involving Entities under Common Control

The Group elected to account for its common control business combination using acquisition method and this is applied consistently for similar transactions. However, where the acquisition method of accounting is selected, the transaction must have commercial substance from the perspective of the reporting entity. Common control business combination without commercial substance is accounted using "pooling of interests" method wherein the assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts. No adjustments are made to reflect fair values, or recognize any new assets or liabilities, at the date of the combination and adjustments made are only those adjustments to harmonize accounting policies. No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. The effects of intercompany transactions on current assets, current liabilities, revenues, and cost of sales for the periods presented and on retained earnings at the date of acquisition are eliminated to the extent possible.



New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the Group's consolidated financial statements are consistent with those of the previous financial years, except for the adoption of new standards effective in 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

- Amendments to PAS 1, *Classification of Liabilities as Current or Non-current*
The amendments clarify:
 - That only covenants with which an entity must comply on or before reporting date will affect a liability's classification as current or non-current.
 - That classification is unaffected by the likelihood that an entity will exercise its deferral right.
 - That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.
- Amendments to PFRS 16, *Lease Liability in a Sale and Leaseback*
The amendments specify how a seller-lessee measures the lease liability arising in a sale and leaseback transaction in a way that it does not recognize any amount of the gain or loss that relates to the right of use retained.
- Amendments to PAS 7 and PFRS 7, *Disclosure: Supplier Finance Arrangements*
The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.
- Adoption of the provisions of PIC Q&A 2018-12, PFRS 15 Implementation Issues Affecting the Real Estate Industry (as amended by PIC Q&As 2020-02 and 2020-04)

On February 14, 2018, the Philippine Interpretations Committee (PIC) issued PIC Q&A 2018-12 which provides guidance on some PFRS 15 implementation issues affecting the real estate industry. On October 25, 2018 and February 8, 2019, the Philippine Securities and Exchange Commission (SEC) issued SEC Memorandum Circular (MC) No. 14-2018 and SEC MC No. 3-2019, respectively, providing relief to the real estate industry by deferring the application of certain provisions of this PIC Q&A for a period of three years until December 31, 2020. On December 15, 2020, the Philippine SEC issued SEC MC No. 34-2020 which further extended the deferral of certain provisions of this PIC Q&A until December 31, 2023.

Starting January 1, 2024, the Group adopted the remaining provisions of PIC Q&A 2018-12, specifically on the: (i) significant financing component, (ii) exclusion of land in the determination of percentage-of-completion (POC), and (iii) implementing the IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*). The Group opted to adopt the changes using modified retrospective approach effective January 1, 2024 and the impact was recorded in the opening retained earnings. The comparative information is not restated.



The modified retrospective effects of the adoption of the above changes are detailed below:

- i. The Group's adoption of significant financing component did not result to any adjustment to the Group's beginning retained earnings and thus, has no effect on the Group's statement of financial position as at January 1, 2024.
- ii. The Group's adoption of the exclusion of land in the determination of POC did not have an impact as the Group does not consider land costs in the determination of its projects' POC.
- iii. The Group recognized the impact of the implementation of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*) as follows:

Consolidated Statements of Financial Position as of January 1, 2024

	As previously stated	Decrease (In Thousands)	As restated
Assets			
Current Assets			
Real estate inventories	₱72,634,830	(₱5,532,604)	₱67,102,226
Noncurrent Liabilities			
Deferred income tax liabilities - net	₱5,649,153	(₱1,811,670)	₱3,837,483
Equity			
Retained earnings	62,061,525	(3,720,934)	58,340,591
	₱67,710,678	(₱5,532,604)	₱62,178,074

Standards Issues but not yet Effective

Pronouncements issued but not yet effective are listed below. The Group intends to adopt the following pronouncements when they become effective. Adoption of these pronouncements is not expected to have a significant impact on the Group's consolidated financial statements unless otherwise indicated.

Effective beginning on or after January 1, 2025

- PFRS 17, *Insurance Contracts*
- Amendments to PAS 21, *Lack of exchangeability*

Effective beginning on or after January 1, 2026

- Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments*
- Annual Improvements to PFRS Accounting Standards—Volume 11
- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
- Amendments to PFRS 7, *Gain or Loss on Derecognition*
- Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
- Amendments to PAS 7, *Cost Method*

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
- PFRS 19, *Subsidiaries without Public Accountability*



Deferred effectivity

- Amendments to PFRS 10, *Consolidated Financial Statements*, and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

Material Accounting Policies

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by reassessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial Instruments *(Date of recognition)*

Financial assets and liabilities are recognized in the consolidated statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery or assets within the time frame established by regulation or convention in the marketplace are recognized on the trade date.

Recognition and Measurement of Financial Instruments

Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as either subsequently measured at amortized cost, at FVOCI, or at fair value through profit or loss (FVPL).



The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under PFRS 15.

In order for a financial asset to be classified and measured at amortized cost or at FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest' on the principal amount outstanding. This assessment is referred to as the 'solely payments of principal and interest test' and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

As of December 31, 2024 and 2023, the Group's financial assets comprise of financial assets at amortized cost and financial assets at FVOCI.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss

Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Group classified cash and cash equivalents, contracts receivables, other receivables, short-term deposits (included in other assets), and investment in bonds as financial assets at amortized cost.

Financial assets at FVOCI (equity instruments)

At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI when they meet the definition of equity under PAS 32, *Financial Instruments: Presentation* and are not held for trading.

Gains and losses arising from changes in fair value are recognized in other comprehensive income and accumulated in "Revaluation reserve on financial assets at FVOCI" in the consolidated statement of financial position. Where the asset is disposed of, the cumulative gain or loss previously recognized in "Revaluation reserve on financial assets at FVOCI" is not reclassified to profit or loss, but is reclassified to Retained earnings.



Included under this category are the Group's investments in quoted and unquoted shares of stocks (included in other noncurrent assets; see Note 17).

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Subsequent measurement

Loans and borrowings (financial liabilities at amortized cost) is the category most relevant to the Group. Issued financial instruments or their components, which are not designated at FVPL, are classified as financial liabilities at amortized cost where the substance of the contractual arrangement results in the Group having an obligation either to deliver cash or another financial asset to the holder, or to satisfy the obligation other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of own equity shares. The components of issued financial instruments that contain both liability and equity elements are accounted for separately, with the equity component being assigned the residual amount after deducting from the instrument as a whole the amount separately determined as the fair value of the liability component on the date of issue.

Amortized cost is calculated by taking into account any discount or premium on the issuance and fees that are an integral part of the EIR. The EIR amortization is included as finance costs in the consolidated statement of income.

As of December 31, 2024 and 2023, loans and borrowings consist primarily of accounts payable and accrued expenses, lease liabilities, loans payable, bonds payable and due to related parties (see Notes 15, 18, 19, 20 and 21).

Impairment of Financial Assets and Contract Assets

The Group recognizes an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group applies a simplified approach in calculating ECLs for financial assets at amortized costs. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix for other receivables and a vintage analysis for contracts receivable and contract assets that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Group considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.



A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of Financial Assets and Financial Liabilities

Financial assets

A financial asset is derecognized when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or,
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of an asset nor transferred control of the asset, the asset is recognized to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Financial liabilities

A financial liability is derecognized when the obligation under the liability expires, is discharged or cancelled.

Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the consolidated statement of income.

Real Estate Inventories

Lots, Condominium and Residential Units for Sale

Property acquired or being constructed for sale in the ordinary course of business, rather than to be held for rental or capital appreciation, is held as real estate inventory and is measured at the lower of cost and net realizable value (NRV).

Cost includes:

- Land acquisition costs and expenses directly related to acquisition
- Amounts paid to contractors for development and construction
- Planning and design costs, costs of site preparation, professional fees, property transfer taxes, construction overheads and other related costs.

In case of sales cancellation, the Group can repossess the properties and hold it for sale in the ordinary course of business at the prevailing market price. The repossessed properties are accounted for as inventories and recognized at its fair value less cost to repossess at the time of cancellation. NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs of sale. The cost of inventory recognized in consolidated statement of income on disposal is determined with reference to the specific costs incurred on the property sold, including an allocation of any non-specific costs based on the relative size of the property sold.



Land and Land Development

Land and land development consists of properties with ongoing development that are intended for real estate projects for sale and are carried at the lower of cost or NRV. The cost of land and land development include the following: (a) land acquisition costs, (b) costs incurred relative to acquisition and transfer of land title in the name of the Group such as transfer taxes and registration fees, (c) costs incurred on initial development of the raw land in preparation for future projects, and (d) borrowing costs. They are transferred to lots, condominium and residential units for sale under “Real estate inventories” when the project plans, development and construction estimates are completed and the necessary permits are secured.

Investments in Associates

The Group’s investment in associates is accounted for under the equity method of accounting. Under the equity method, the investment in associates is carried in the consolidated statement of financial position at cost, plus post-acquisition changes in the Group’s share of net assets of the associates. The consolidated statement of income reflects the share of the results of operations of the associates. The Group recognizes its share of the losses of the associate until its share of losses equals or exceeds its interest in the associate, at which point the Group discontinues recognizing its share of further losses.

Where there has been a change recognized directly in the equity of the associate, the Group recognizes its share of any changes and discloses this, when applicable, in the consolidated statement of changes in equity.

The reporting dates of the associates and the Group are identical and the associates’ accounting policies conform to those used by the Group for like transactions and events in similar circumstances.

After application of the equity method, the Group determines whether it is necessary to recognize an additional impairment loss on investment in an associate. The Group determines at the end of each reporting period whether there is any objective evidence that the investment in an associate is impaired.

If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investment in the associate and its carrying value and recognize the amount in the consolidated statement of income.

Upon loss of significant influence over the associate, the Group measures and recognizes any retained investment at its fair value. Any difference between the carrying amount of the associate upon loss of significant influence and the fair value of the retained investment and proceeds from disposal is recognized in the consolidated statement of income.

Investment Properties

Investment properties consist of commercial mall, land and other properties that are held for long term rental yields and capital appreciation and land held with undetermined future use. Investment properties also include right-of-use assets involving real properties that are subleased to other entities. Investment properties, except for land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost less accumulated impairment losses, if any. Initial cost of investment properties consists of cash paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction and directly attributable costs of bringing the investment properties to its intended location and working condition, including borrowing costs.



Constructions-in-progress are carried at cost (including borrowing costs) and transferred to the related investment property account when the construction and related activities to prepare the property for its intended use are complete.

For those right-of-use assets that qualify as investment properties, i.e., those land that are subleased by the Group, these are classified under investment properties. Consistent with the Group's policy regarding the measurement of investment properties, these assets are subsequently measured at cost less amortization and impairment in value.

Investment properties built on rented properties are depreciated over their estimated useful lives or lease term, whichever is shorter.

Depreciation of investment properties is computed using the straight-line method over the estimated useful lives (EUL) of these assets as follows:

	Years
Buildings and improvement	20-50
Machinery and equipment	5-15

The EUL and the depreciation method is reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefit from items of investment properties.

Investment properties also include prepaid commission representing incremental costs that are directly attributable to negotiating and arranging a lease. These are initially recognized at cost and are amortized over the related lease term.

Investment property is derecognized when it is either disposed of or permanently withdrawn from use and there is no future economic benefit expected from its disposal or retirement. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of income in the year of retirement or disposal.

Transfers are made to investment property when there is a change in use, evidenced by ending of owner-occupation, commencement of an operating lease to another party or ending of construction or development. Transfers are made from investment property when there is a change in use, evidenced by commencement of owner-occupation or commencement of development with a view to sell.

Transfers between investment property, owner-occupied property and inventories do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purposes.

Property and Equipment

Property and equipment are carried at cost less accumulated depreciation and amortization and accumulated impairment losses, if any. The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the asset to its working condition and location for its intended use including borrowing cost.

Construction-in-progress, is stated at cost. This includes cost of construction and other direct costs. Construction-in-progress is not depreciated until such time as the relevant assets are completed and ready for operational use.



Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance and overhaul costs, are normally charged to income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation is computed on the straight-line basis over the EUL of the assets, as follows:

	Years
Buildings	20-50
Machinery and equipment	5-20
Transportation equipment	5
Furniture and fixtures	3-5

Leasehold improvements are amortized over the estimated useful lives of the improvements or the lease term, whichever is shorter.

The useful life and the depreciation and amortization method are reviewed periodically to ensure that the period and the method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

When an item of property and equipment is derecognized, the cost of the related accumulated depreciation and amortization and accumulated impairment losses, if any, is removed from the account. Any gain or loss arising from derecognition of the asset is included in the consolidated statement of income in the year the asset is derecognized.

Intangible Assets

Intangible assets include goodwill and BTO rights (including the related right-of-use asset). Intangible assets acquired separately are measured on initial recognition at costs. The cost of intangible assets acquired in a business combination or contracted arrangements is their fair value at the date of acquisition. Following initial recognition, intangible assets, excluding goodwill, are carried at cost less any accumulated amortization and any accumulated impairment losses. The useful lives of intangible assets are assessed to be either finite or indefinite. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Intangible assets with finite lives (i.e., BTO rights) are amortized over the economic useful life (i.e., 25 years) and assessed for impairment whenever there is an indication that the intangible assets may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of income.

Intangible assets with indefinite useful lives (i.e., goodwill) are not amortized, but are tested for impairment annually or more frequently, either individually or at the cash generating unit level.

Gains or losses arising from the derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the consolidated statement of income when the asset is derecognized.



Other Assets

Other current and noncurrent assets are carried at cost. These pertain to resources controlled by the Group as a result of past events and from which future economic benefits are expected to flow to the Group.

Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable. When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the consolidated statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the consolidated statement of financial position to the extent of the recoverable amount.

The net amount of VAT recoverable and payable from the taxation authority is included as part of “Other assets” and “Accounts payable and accrued expenses”, respectively, in the consolidated statement of financial position.

Impairment of Nonfinancial Assets

The carrying values of investments in associates, property and equipment, investment properties, and other nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of the asset is the greater of fair value less cost of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the consolidated statement of income.

For nonfinancial assets, excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset’s or cash-generating unit’s recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation and amortization, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the consolidated statement of income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

Goodwill is tested for impairment annually or more frequent if events or changes of circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating unit) is less than their carrying amount of cash-generating unit (or group of cash-generating unit) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated statement of income. Impairment



losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods.

Revenue Recognition

Revenue from Contracts with Customers

The Group primarily derives its real estate revenue from the sale of vertical and horizontal real estate projects. Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water and electricity in its mall retail spaces and office leasing activities, wherein it is acting as agent.

The Group recognize the difference between the consideration received from the customer and the transferred goods to the customer as contract assets in the consolidated statement of financial position.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

Real estate sales

The Group derives its real estate revenue from sale of lots, house and lot and condominium units. Revenue from the sale of real estate projects under pre-completion stage are recognized over time during the construction period (or POC) since based on the terms and conditions of its contract with the buyers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

Starting January 1, 2024, in determining the transaction price, the Group considers whether the selling price of the real estate property includes significant financing component.

In measuring the progress of its performance obligation over time, the Group uses output method. The Group recognizes revenue on the basis of direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured using survey of performance completed to date. This is based on the project accomplishment reports prepared by the third party project managers for high-rise real estate developments and internal project engineers for mid-rise real estate development. The project technical head integrates, reviews and approves the surveys of performance to date of the construction activities of subcontractors.

Any excess of progress of work over the right to an amount of consideration that is unconditional, recognized as installment contract receivables is included in the "contract assets" account in the asset section of the consolidated statement of financial position.

Any excess of collections over the total of recognized installment contract receivables is included in the "contract liabilities" account in the liabilities section of the consolidated statement of financial position.

In case of sales cancellation, the difference between the fair value of the repossessed property less cost to repossess and the outstanding receivable and related accounts at the time of cancellation is recognized in profit or loss.



Common usage service area (CUSA) charges and air conditioning dues (included as part of 'Rental and related services')

CUSA charges are recognized when the related services are rendered. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water, and electricity in its office leasing activities, wherein it is acting as agent. Income from common area and air conditioning dues is computed based on a fixed rate per square meter of the leasable area occupied by the tenant and are presented gross of related cost and expenses.

Other dues

For the administration fees, electricity and water usage, the Group determined that it is acting as an agent because the promise of the Group to the tenants is to arrange for the electricity and water supply to be provided by a utility company. The utility and service companies, and not the Group, are primarily responsible for the provisioning of the utilities while the Group administers the leased spaces and coordinates with the utility and service companies to ensure that tenants have access to these utilities.

Theater and parking sales and snack bar sales (included as part of 'Rental and related services')

Revenue from theater and parking sales is recognized over time using output method when theater services are rendered. Revenue from snack bar sales is recognized at a point in time when goods are actually sold to customers.

Cost of real estate sales

The Group recognizes costs relating to satisfied performance obligations as these are incurred taking into consideration the contract fulfillment assets such as land and connection fees. These include costs of land, land development costs, building costs, professional fees, depreciation, permits and licenses and capitalized borrowing costs. These costs are allocated to the saleable area, with the portion allocable to the sold area being recognized as costs of sales while the portion allocable to the unsold area being recognized as part of real estate inventories.

In addition, the Group recognizes as an asset only costs that give rise to resources that will be used in satisfying performance obligations in the future and that are expected to be recovered.

Contract Balances

Contracts receivables

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognized when the payment is made. Contract liabilities are recognized as revenue when the Group performs under the contract.

The contract liabilities also include payments received by the Group from the customers for which revenue recognition has not yet commenced.



Costs to obtain contract (Commission expenses)

The incremental costs of obtaining a contract with a customer are recognized as an asset if the Group expects to recover them. The Group has determined that commissions paid to brokers and marketing agents on the sale of pre-completed real estate units are deferred when recovery is reasonably expected and are charged to expense in the period in which the related revenue is recognized as earned. Commission expense is included in the "Selling and marketing expense" account in the consolidated statement of income.

Costs incurred prior to obtaining contract with customer are not capitalized but are expensed as incurred.

Contract fulfillment assets

Contract fulfillment assets are divided into: (i) costs that give rise to an asset; and (ii) costs that are expensed as incurred. When determining the appropriate accounting treatment for such costs, the Group firstly considers any other applicable standards. If those standards preclude capitalization of a particular cost, then an asset is not recognized under PFRS 15.

If other standards are not applicable to contract fulfillment costs, the Group applies the following criteria which, if met, result in capitalization: (i) the costs directly relate to a contract or to a specifically identifiable anticipated contract; (ii) the costs generate or enhance resources of the entity that will be used in satisfying (or in continuing to satisfy) performance obligations in the future; and (iii) the costs are expected to be recovered. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recoverable.

The Group's contract fulfillment assets pertain to land acquisition costs.

Amortization, de-recognition and impairment of contract fulfillment assets and capitalized costs to obtain a contract

The Group amortizes contract fulfillment assets and capitalized costs to obtain a contract over the expected construction period using percentage of completion following the pattern of real estate revenue recognition. The amortization of contract fulfillment assets and cost to obtain a contract is included within "Cost of real estate sales" and "Selling and marketing expense", respectively.

A contract fulfillment asset or capitalized costs to obtain a contract is derecognized either when it is disposed of or when no further economic benefits are expected to flow from its use or disposal.

At each reporting date, the Group determines whether there is an indication that the contract fulfillment asset or capitalized cost to obtain a contract may be impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

Where the relevant costs or specific performance obligations are demonstrating marginal profitability or other indicators of impairment, judgement is required in ascertaining whether or not the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific performance indicators that could trigger variable consideration, or service credits.



Where a contract is anticipated to make a loss, the judgements are also relevant in determining whether or not an onerous contract provision is required and how this is to be measured.

Other Revenue and Income Recognition

Rental income

Rental income arising from investment properties are recognized in the consolidated statement of income either on a straight-line basis over the lease term or based on a certain percentage of the gross revenue of the tenants, as provided under the terms of the lease contract. Leases under contingent rents are recognized as income in the period in which they are earned.

Income from forfeited reservations and collections

Income from forfeited reservation and collections is recognized when the deposits from potential buyers are deemed nonrefundable due to prescription of the period for entering into a contracted sale. Such income is also recognized, subject to the provisions of Republic Act 6552, *Realty Installment Buyer Act*, upon prescription of the period for the payment of required amortizations from defaulting buyers.

Interest income

Interest is recognized as it accrues taking into account the effective yield on the underlying asset.

Other income

Other income, including service fees, processing fees, management fees, is recognized when services are rendered and when goods are delivered.

Cost and Expense Recognition

Costs and expenses are recognized in the consolidated statement of income when decrease in future economic benefit related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Cost and expenses are recognized in the consolidated statement of income as incurred based on the amounts paid or payable

Retirement Costs

The cost of providing benefits under the defined benefit plan is actuarially determined using the projected unit credit method.

Service costs which include current service costs, past service costs and gains or losses on nonroutine settlements are recognized as expense in profit or loss. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by an independent qualified actuary.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the defined benefit liability or asset.

Net interest on the net defined benefit liability or asset is recognized as expense or income in profit or loss.

Remeasurements comprising actuarial gains and losses, return on plan assets and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in other comprehensive income in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods.



Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information.

The Group's right to be reimbursed of some or all of the expenditure required to settle a defined benefit obligation is recognized as a separate asset at fair value when and only when reimbursement is virtually certain.

Termination benefits

Termination benefits are employee benefits provided in exchange for the termination of an employee's employment as a result of either an entity's decision to terminate an employee's employment before the normal retirement date or an employee's decision to accept an offer of benefits in exchange for the termination of employment.

A liability and expense for a termination benefit is recognized at the earlier of when the entity can no longer withdraw the offer of those benefits and when the entity recognizes related restructuring costs.

Initial recognition and subsequent changes to termination benefits are measured in accordance with the nature of the employee benefit, as either post-employment benefits, short-term employee benefits, or other long-term employee benefits.

Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. These are capitalized if directly attributable to the acquisition, construction or production of a qualifying asset. Qualifying assets are assets that necessarily take a substantial period of time to get ready for its intended use or sale. Interest and other financing costs incurred during the construction period on borrowings used to finance property development are capitalized as part of development costs in the consolidated statement of financial position.

The interest capitalized is calculated using the Group's weighted average cost of borrowings after adjusting for borrowings associated with specific developments. Where borrowings are associated with specific developments, the amounts capitalized is the gross interest incurred on those borrowings less any investment income arising on their temporary investment of those borrowings.

For investment properties, interest is capitalized from the commencement of the development work until the date of practical completion. The capitalization of borrowing costs is suspended if there are prolonged periods when development activity is interrupted. Interest is also capitalized on the purchase cost of a site of property acquired specifically for redevelopment but only where activities necessary to prepare the asset for redevelopment are in progress.

For "Land and land development" under real estate inventories, interest is capitalized if the properties are currently undertaking activities necessary to prepare the assets for its intended sales, including but not limited to pre-construction activities such as permitting, design, planning and actual land development activities and are not ready to be sold in its current condition.



Prior to January 1, 2024, for “Lots, condominium and residential units for sale” under real estate inventories, interest is capitalized if the properties are currently undertaking activities necessary to prepare the assets for its intended use. Subsequent to January 1, 2024, these are no longer considered as a qualifying asset and thus, the related borrowing cost are expensed as incurred.

Borrowings originally made to develop a specific qualifying asset are transferred to general borrowings (a) when substantially all of the activities necessary to prepare that asset for its intended use or sale are complete, and (b) the entity chooses to use its funds on constructing other qualifying assets rather than repaying the loan.

Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Capitalization of borrowing costs ceases when substantially all the activities necessary to prepare the asset for its intended sale are completed. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

All other borrowing costs are expensed as incurred.

Foreign Currency-Denominated Transactions

The functional and presentation currency of the Parent Company and its subsidiaries and associate is the Philippine Peso. Transactions denominated in foreign currencies are recorded in Philippine Peso based on the exchange rates prevailing at the transaction dates. Foreign currency denominated monetary assets and liabilities are translated to Philippine Peso at exchange rates prevailing at the reporting date. Foreign exchange differentials between rate at transaction date and rate at settlement date or reporting date of foreign currency denominated monetary assets or liabilities are credited to or charged against current operations.

Equity

Common and Preferred stock

The Group records common and preferred stock at par value and additional paid-in capital as the excess of the total contributions received over the aggregate par values of the equity shares.

The Group considers the underlying substance and economic reality of its own equity instrument and not merely its legal form in determining its proper classification. When any member of the Group purchases the Parent Company’s capital stock (treasury shares), the consideration paid, including any attributable incremental costs, is deducted from equity until the shares are cancelled, reissued or disposed of.

Where such shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related tax effects is included in consolidated equity.

Treasury stock

Own equity instruments which are reacquired, are carried at cost and are deducted from equity. No gain or loss is recognized in profit or loss on the purchase, sale, issue or cancellation of the Parent Company’s own equity instruments. When the shares are retired, the capital stock account is reduced by its par value and excess of cost over par value upon retirement is debited to additional paid-in capital to the extent of the specific or average additional paid in capital when the shares were issued and to retained earnings for the remaining balance.

Retained earnings

Retained earnings represent accumulated net earnings of the Group, and any other adjustments to it as required by other standards, less dividends declared. The individual accumulated earnings of the subsidiaries and accumulated equity earnings from an associate included in the consolidated retained



earnings are available for dividend declaration when these are declared as dividends by the subsidiaries and associate as approved by their respective BOD.

The partial disposal or acquisition of an additional ownership interest in a subsidiary without a change of control is accounted for as an equity transaction. Any excess or deficit of consideration paid over the carrying amount of the noncontrolling interests is liabilities in equity under “Retained Earnings” of the parent in transactions where the noncontrolling interests are acquired or sold without loss of control.

Retained earnings are further restricted for the payment of dividends to the extent of the cost of common shares held in treasury.

Dividends on common and preferred shares are deducted from retained earnings when declared and approved by the BOD of the Parent Company. Dividends payable are recorded as liability until paid. Dividends for the year that are declared and approved after reporting date, if any, are dealt with as an event after reporting date and disclosed accordingly.

Earnings Per Share (EPS)

Basic EPS is computed by dividing net income applicable to common stock by the weighted average number of common shares outstanding, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period.

Diluted EPS is computed by dividing net income by the weighted average number of common shares outstanding during the period, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period, and adjusted for the effect of dilutive options and dilutive convertible preferred shares. If the required dividends to be declared on convertible preferred shares divided by the number of equivalent common shares, assuming such shares are converted would decrease the basic EPS, and then such convertible preferred shares would be deemed dilutive.

Where the effect of the assumed conversion of the preferred shares and the exercise of all outstanding options have anti-dilutive effect, basic and diluted EPS are stated at the same amount.

Income Tax

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Deferred income tax

Deferred income tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred income tax liabilities are recognized for all taxable temporary differences, except; (a) where deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and (b) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.



Deferred income tax assets are recognized for all deductible temporary differences, carryforward benefit of the excess of minimum corporate income tax (MCIT) over regular corporate income tax (RCIT) and unused net operating loss carryover (NOLCO), to the extent that it is probable that sufficient future taxable profit will be available against which the deductible temporary differences and carryforward of MCIT and unused NOLCO can be utilized.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient future taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that sufficient future taxable profit will allow the deferred income tax asset to be recovered.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Income tax relating to items recognized directly in other comprehensive income is recognized in consolidated statement of comprehensive income and not in the consolidated statement of income.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to offset current income tax assets against current income tax liabilities and the deferred income taxes relate to the same taxable entity and the same taxation authority.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as Lessor

Leases where the Group does not transfer substantially all the risks and rewards of ownership of the asset are classified as operating leases. Rental income on operating leases is recognized on a straight-line basis over the lease term. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same bases as rental income.

Group as Lessee

Except for short-term leases and lease of low-value assets, the Group applies a single recognition and measurement approach for all leases. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use-assets

The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received and estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories.

The Group classifies its right-of-use assets within the same line item as that within which the corresponding underlying assets would be presented if they were owned.



Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Useful life of right-of-use on land ranges from 20 to 50 years.

Right-of-use assets are subject to impairment. Refer to the accounting policies in section impairment of nonfinancial assets.

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the leases of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Segment Reporting

The Group's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Two or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics, and the segments are similar in each of the following respects: (a) the nature of the products and services; (b) the nature of the production processes; (c) the type or class of customer for their products and services; (d) the methods used to distribute their products or provide their services; and, (e) if applicable, the nature of the regulatory environment. The Group's mall retail spaces and office leasing activities are treated as one segment. Financial information on business segments is presented in Note 5 to the consolidated financial statements.



Provisions

A provision is recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Contingencies

Contingent liabilities are not recognized in the consolidated financial statements. They are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the consolidated financial statements but are disclosed when an inflow of economic benefits is probable.

3. **Significant Accounting Judgments and Estimates**

The preparation of the consolidated financial statements in accordance with PFRS Accounting Standards, requires management to make judgments and estimates that affect the amounts reported in the consolidated financial statements and accompanying notes. Future events may occur which can cause the assumptions used in arriving at those estimates to change. The effects of any changes in estimates will be reflected in the consolidated financial statements as they become reasonably determinable.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognized in the consolidated financial statements.

Real Estate Revenue Recognition

a. Existence of a contract

The Group's primary document for a contract with a customer is a signed contract to sell. It has determined however, that in cases wherein contract to sell are not signed by both parties, the combination of its other signed documentation such as purchase application form and official receipts evidencing collections from buyer, would contain all the criteria to qualify as contract with the customer under PFRS 15.

In addition, part of the assessment process of the Group before revenue recognition is to assess the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer. In evaluating whether collectability of an amount of consideration is probable, an entity considers the significance of the customer's initial payments in relation to the total contract price.

b. Collectability is also assessed by considering factors such as historical experience with customers, and pricing of the property. Management regularly evaluates the historical cancellations if it would still support its current threshold of customers' equity before commencing revenue recognition.



c. Revenue recognition method and measure of progress

The Group concluded that revenue for real estate sales is to be recognized over time because (a) the Group's performance does not create an asset with an alternative use and; (b) the Group has an enforceable right for performance completed to date. The promised property is specifically identified in the contract and the contractual restriction on the Group's ability to direct the promised property for another use is substantive. This is because the property promised to the customer is not interchangeable with other properties without breaching the contract and without incurring significant costs that otherwise would not have been incurred in relation to that contract. In addition, under the current legal framework, the customer is contractually obliged to make payments to the developer up to the performance completed to date.

The Group has determined that output method used in measuring the progress of the performance obligation faithfully depicts the Group's performance in transferring control of real estate development to the customers.

Accounting for the acquisition of NPHI and CRC

In determining whether a transaction or an event is a business combination, the Group assessed whether the assets acquired and liabilities assumed constitute a business. A business is defined as an integrated set of activities and assets that is capable of being conducted and managed for the purpose of providing a return in the form of dividends, lower costs or other economic benefits directly to investors or other owners, members or participants. Further, a business consists of inputs and processes applied to those inputs that have the ability to create outputs. Based on the provisions of the Share Purchase Agreement to acquire 100% shares of NPHI and CRC (see Note 1), the Parent Company assessed that the acquisition does not constitute a business. In making the judgment, the Parent Company considered that it lacks two (2) of the three (3) components required to meet the definition of a business (i.e., processes and output). While the Parent Company acquired inputs (i.e., land), FLI did not acquire any processes. As such, the transaction was accounted for as an acquisition of an asset and the entire consideration was recognized as part of land and land development costs in the consolidated statement of financial position (see Note 10).

Evaluation of impairment on nonfinancial assets

The Group reviews its investments in associates, property and equipment, investment properties, BTO rights and other assets (excluding short-term deposits) for impairment of value. This includes consideration of certain indicators of impairment such as significant change in asset usage, significant decline in asset's market value, obsolescence or physical damage of an asset, plans of discontinuing the real estate projects, and significant negative industry or economic trends.

If such indicators are present, and where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to recoverable amount.

The recoverable amount is the asset's fair value less cost of disposal, except for investments in associates, which have recoverable value determined using value-in-use. The fair value less cost of disposal is the amount obtainable from the sale of an asset in an arm's-length transaction while value-in-use is the present value of estimated future cash flows expected to arise from the investments in associates. Recoverable amounts are estimated for individual assets or, if it is not possible, for the cash-generating unit to which the asset belongs.

As of December 31, 2024 and 2023, management assessed that there are no impairment indicators on its non-financial assets that would lead to recognition of impairment losses.



Adoption of a 'no tax' regime for FILRT

As a Real Estate Investment Trust (REIT) entity, Filinvest REIT Corp. (FILRT) can choose to operate within one of two tax regimes (i.e., a 'full tax' regime or a 'no tax' regime). The REIT entity can effectively operate under a 'no tax' regime provided that it meets certain conditions (e.g., listing status, minimum required dividend payments). A REIT entity is required to distribute at least 90% of its annual income as dividends to its investors and is allowed to treat the dividend as deduction for tax purposes making it effectively an income tax-free entity.

As of December 31, 2024 and 2023, FILRT met the provisions of the REIT law and complies with the 90% dividend distribution requirement. FILRT has determined, based on its current tax regime and expected dividend distribution in the succeeding periods, that it can effectively operate on a "no-tax" regime. FILRT did not recognize any deferred taxes in 2024 and 2023.

Contingencies

In the normal course of business, the Group is currently involved in various legal proceedings and assessments. The assessment of probability and estimate of the probable costs for the resolution of these claims have been developed in consultation with outside counsel handling the defense in these matters and based upon analysis of potential results. The Group currently does not believe these proceedings will have material or adverse effect on the Group's financial position and results of operations (see Note 33).

Management's Use of Estimates

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Revenue recognition and measure of progress for real estate sales

The Group's revenue recognition policy requires management to make use of estimates and assumptions that may affect the reported amounts of revenues and costs. The Group's revenue from real estate sales recognized based on the percentage of completion are measured principally on the basis of physical completion of real estate project.

For the years ended December 31, 2024, 2023 and 2022, real estate sales amounted to ₱15.39 billion, ₱14.49 billion, and ₱12.84 billion, respectively (see Note 6).

Determining transaction price of sale of real estate

The Group determines whether a contract contains a significant financing component by considering (1) the difference, if any, between the amount of promised considerations and the cash selling price of the promised goods or services; and (2) the effect of the expected length of time between when the entity transfer the promised goods or service to the customer and when the customer pays for those goods or services and the prevailing effective interest rate. The Group applied practical expedient by not adjusting the effect of financing component when the period when the entity transfers a promised good or service to a customer and when the customer pays for the good or service will be one year or less. The Group assessed that the significant financing component is not significant in determining the transaction price on sale of real estate.

Evaluation of impairment of contract receivables and contract assets

The Group uses the vintage analysis to calculate ECLs for contracts receivables and contract assets. The loss rates are based on days past due for groupings of various customer segments that have similar loss patterns (i.e., by product type, market segment and collateral type).



The vintage analysis (the model) is initially based on the Group's historical observed default rates. The Group will calibrate the model to adjust the historical credit loss experience with forward-looking information. For instance, if forecast economic conditions are expected to deteriorate over the next year which can lead to an increased number of defaults in the manufacturing sector, the historical default rates are adjusted. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future.

The information about the ECLs on the Group's contract receivables and contract assets is disclosed in Note 8.

The carrying values of contract receivables and contract assets are as follows:

	2024	2023
	(In Thousands)	
Contracts receivables (Note 8)	₱2,178,282	₱1,837,829
Contract assets (Note 6)	8,439,093	9,783,769

Estimating NRV of real estate inventories

The Group adjusts the cost of its real estate inventories to NRV based on its assessment of the recoverability of the inventories. In determining the recoverability of the inventories, management considers whether the selling prices of those inventories have significantly declined. Likewise, management also considers whether the estimated costs of completion or the estimated costs to be incurred to make the sale have increased. The amount and timing of recorded expenses for any period would differ if different judgments were made or different estimates were utilized. In evaluating NRV, recent market conditions and current market prices have been considered.

As of December 31, 2024 and 2023, the carrying amount of real estate inventories amounted to ₱69.97 billion and ₱72.63 billion, respectively (see Note 10). No impairment losses were recognized since the costs are lower than NRV for the years ended December 31, 2024, 2023 and 2022.

Evaluation of impairment on goodwill

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. The Group's impairment test for goodwill on acquisition of FILRT, FAC and Festival Supermall structure is based on value-in-use calculation that uses a discounted cash flow model. The cash flows are derived from budget period of five (5) years and do not include restructuring activities that the Group is not yet committed to nor significant future investments that will enhance the asset base of the cash generating unit being tested.

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model, as well as revenue growth rates, gross margins and terminal growth rates used. The pre-tax discount rates used were 9.4% to 11% and 9.6% to 11.0% in 2024 and 2023, respectively. The growth rates used beyond the forecast period for different cash-generating units were 3.5% to 4.0% and 3.0% to 3.8% in 2024 and 2023, respectively.

As of December 31, 2024 and 2023, the Group has determined that its goodwill is not impaired. The carrying value of goodwill amounted to ₱4.57 billion as of December 31, 2024 and 2023 (see Note 4).



Recognition of deferred income tax assets

The Group reviews the carrying amounts of deferred tax assets at each reporting date and reduces deferred income tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. However, there is no assurance that the Group will generate sufficient future taxable profit to allow all or part of its deferred income tax assets to be utilized.

The Group's recognized deferred tax assets amounted to ₱2.07 billion and ₱1.88 billion as of December 31, 2024 and 2023, respectively (see Note 29).

4. Goodwill

Goodwill arising from business combinations in the Group's consolidated statements of financial position as of December 31, 2024 and 2023 consists of (amounts in thousands):

Festival Supermall structure	₱3,745,945
FAC	494,744
FILRT	326,553
	<u>₱4,567,242</u>

In September 2006, the Group entered into a series of transactions pursuant to which it acquired: (1) 60% ownership interest in FAC from FDC; (2) 60% ownership interest in FILRT from FAI; and, (3) Festival Supermall structure from FAI. In exchange for acquiring these assets, the Group issued a total of 5.64 billion common shares to FDC and FAI and assumed ₱2.50 billion outstanding debts of FDC and FAI. The business combinations resulted in the recognition of goodwill amounting to ₱4.24 billion, which comprises the fair value of expected synergies arising from the acquisitions.

Subsequently in February 2010, the Parent Company acquired the remaining 40% interests in FILRT from Africa-Israel Properties (Phils.), Inc. to obtain full control of the then joint venture. The acquisition resulted in FILRT becoming wholly-owned subsidiary of the Parent Company. The acquisition of the joint venture partner's interests was accounted for as business combination and resulted in recognition of goodwill amounting to ₱326.55 million.

As of December 31, 2024 and 2023, the recoverable value of the cash generating units to which the goodwill pertains is in excess of the carrying value of the cash generating units, thus, no impairment has been recognized.

5. Segment Reporting

For management purposes, the Group is organized into the following business units:

Real Estate

This involves the acquisition of land, planning and development of large-scale, fully integrated residential communities, as well as the development and sale of residential lots, housing units, medium-rise residential buildings, farm estates, industrial parks, residential resort projects, a private membership club and condominium buildings.



Leasing

This involves the operations of Festival Supermall, Fora Tagaytay, Main Square and Il Corso, including its management and theater operations, and the leasing of commercial and office spaces in Makati City, Muntinlupa City, Pasay City, Bacoar City, Tagaytay City, Cebu City and Clark. This also includes the hotel operations of TSNC and NSI and the operations of PDDC of a district cooling system within existing and future buildings at Northgate Cyberzone Area, Filinvest City, Alabang, Muntinlupa City.

Management monitors the operating results of each of its business units for purposes of resource allocation and performance assessment. Performance of each segment is evaluated based on their profit and loss or net income.

The chief operating decision-maker of the Group is the Executive Committee. The committee reviews internal reports to assess performance and allocate resources. Based on the reports, it is also able to determine both the operating and non-operating segments. Reporting by geographical segments does not apply as the Group currently operates in the Philippines only. The Group's revenues are earned in the Philippines.

Transfer prices between segments are based on rates agreed upon by the parties and have terms equivalent to transactions entered into with third parties.

For the years ended December 31, 2024, 2023, and 2022, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers.

The financial information on the operations of these business segments as shown below are based on the measurement principles that are similar with those used in measuring the assets, liabilities, income and expenses in the consolidated financial statements which is in accordance with PFRS Accounting Standards, except for the Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA).

The information about the financial position and results of operations of these business segments as of and for the years ended December 31 are summarized below (amounts in thousands).

	2024				
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue					
External	P15,392,761	P7,848,093	P23,240,854	P-	P23,240,854
Inter-segment	229,632	-	229,632	(229,632)	-
	15,622,393	7,848,093	23,470,486	(229,632)	23,240,854
Equity in net earnings of associates	359,036	-	359,036	-	359,036
Other income	3,263,910	1,103,623	4,367,533	(3,521,525)	846,008
	P19,245,339	P8,951,716	P28,197,055	(P3,751,157)	P24,445,898
Net income	P5,437,301	P1,330,564	P6,767,865	(P2,132,129)	P4,635,736
EBITDA	P8,426,129	P4,847,174	P13,273,303	(P1,804,088)	P11,469,215
Segment assets	P100,016,795	P117,217,097	P217,233,892	(P10,354,241)	P206,879,651
Less net deferred tax assets	-	96,032	96,032	-	96,032
Net segment assets	P100,016,795	P117,121,065	P217,137,860	(P10,354,241)	P206,783,619
Segment liabilities	P56,063,647	P57,818,979	P113,882,626	(P338,487)	P113,544,139
Less net deferred tax liabilities	5,030,726	9,874	5,040,600	(223,596)	4,817,004
Net segment liabilities	P51,032,921	P57,809,105	P108,842,026	(P114,891)	P108,727,135
Cash flows provided by (used in):					
Operating activities	P3,062,854	P3,843,080	P6,905,934	P108,593	P7,014,527
Investing activities	(908,013)	(3,880,399)	(4,788,412)	-	(4,788,412)
Financing activities	(3,490,116)	(1,018,279)	(4,508,395)	534,463	(3,973,932)



2023					
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue					
External	P14,486,506	P7,200,950	P21,687,456	P—	P21,687,456
Inter-segment	40,039	—	40,039	(40,039)	—
	14,526,545	7,200,950	21,727,495	(40,039)	21,687,456
Equity in net earnings of associates	242,007	—	242,007	—	242,007
Other income	2,001,632	964,869	2,966,501	(2,341,630)	624,871
	P16,770,184	P8,165,819	P24,936,003	(P2,381,669)	P22,554,334
Net income	P3,603,769	P1,742,686	P5,346,455	(P1,050,411)	P4,296,044
EBITDA	P5,401,034	P4,797,774	P10,198,808	(P1,229,650)	P8,969,158
Segment assets	P110,882,971	P104,057,871	P214,940,842	(P10,464,765)	P204,476,077
Less net deferred tax assets	—	48,483	48,483	—	48,483
Net segment assets	P110,882,971	P104,009,388	P214,892,359	(P10,464,765)	P204,427,594
Segment liabilities	P63,140,179	P47,438,064	P110,578,243	(P374,035)	P110,204,208
Less net deferred tax liabilities	5,802,647	56,068	5,858,715	(209,562)	5,649,153
Net segment liabilities	P57,337,532	P47,381,996	P104,719,528	(P164,473)	P104,555,055
Cash flows provided by (used in):					
Operating activities	P5,368,606	P3,979,320	P9,347,926	(P155,191)	P9,192,735
Investing activities	(616,726)	(3,726,929)	(4,343,655)	—	(4,343,655)
Financing activities	(4,306,123)	(2,071,602)	(6,377,725)	641,518	(5,736,207)
2022					
	Real Estate Operations	Leasing Operations	Combined	Adjustments and Eliminations	Consolidated
Revenue					
External	P12,836,056	P6,350,408	P19,186,464	P—	P19,186,464
Inter-segment	340,942	—	340,942	(340,942)	—
	13,176,998	6,350,408	19,527,406	(340,942)	19,186,464
Equity in net earnings of associates	78,956	—	78,956	—	78,956
Other income	1,854,110	1,099,670	2,953,780	(2,274,854)	678,926
	P15,110,064	P7,450,078	P22,560,142	(P2,615,796)	P19,944,346
Net income	P3,522,460	P1,588,870	P5,111,330	(P1,590,193)	P3,521,137
EBITDA	P5,024,557	P4,466,521	P9,491,078	(P1,318,581)	P8,172,497
Segment assets	P113,610,862	P98,669,097	P212,279,959	(P12,164,780)	P200,115,179
Less net deferred tax assets	—	91,383	91,383	—	91,383
Net segment assets	P113,610,862	P98,577,714	P212,188,576	(P12,164,780)	P200,023,796
Segment liabilities	P69,622,905	P44,627,867	P114,250,772	(P5,638,334)	P108,612,438
Less net deferred tax liabilities	5,547,080	19,612	5,566,692	58,518	5,625,210
Net segment liabilities	P64,075,825	P44,608,255	P108,684,080	(P5,696,852)	P102,987,228
Cash flows provided by (used in):					
Operating activities	(P1,051,285)	P4,070,795	P3,019,510	P3,114,884	P6,134,394
Investing activities	(1,369,354)	(3,836,569)	(5,205,923)	(3,969,936)	(9,175,859)
Financing activities	(1,221,205)	962,387	(258,818)	261,158	2,340



The following table shows a reconciliation of the adjusted earnings before interest and other finance charges, income taxes, depreciation and amortization (EBITDA), after adjustments and eliminations, to income before income tax in the consolidated statement of income for the year:

	2024	2023	2022
	(In Thousands)		
EBITDA	₱11,469,215	₱8,969,158	₱8,172,497
Depreciation and amortization (Notes 13, 14 and 16)	(2,143,097)	(1,593,382)	(1,630,038)
Operating profit	9,326,118	7,375,776	6,542,459
Interest and other finance charges (Note 24)	(3,685,747)	(2,434,393)	(2,294,243)
Income before income tax	₱5,640,371	₱4,941,383	₱4,248,216

6. Revenue from Contracts with Customers

Disaggregated Revenue Information

The Group's disaggregation of each sources of revenue is presented below:

	2024	2023	2022
	(In Thousands)		
Real estate sales by market segment			
Medium income	₱11,336,019	₱9,835,600	₱8,915,046
Low affordable and affordable	1,863,213	3,367,527	2,661,307
High-end and others	1,524,605	855,169	1,026,177
Socialized	668,924	428,210	233,526
	15,392,761	14,486,506	12,836,056
Cinema operations by type of goods or services (included as part of rental and related services)			
Theater and parking sales	248,461	214,452	163,853
Snack bar sales	15,188	14,066	8,871
	263,649	228,518	172,724
Tenant dues			
Office leasing (Note 21)	1,176,240	1,149,383	1,158,229
Mall and other leasing operations	415,697	379,197	344,514
	1,591,937	1,528,580	1,502,743
Total revenue from contracts with customers	17,248,347	16,243,604	14,511,523
Rental revenues			
Office leasing (Note 21)	3,633,481	3,511,044	3,425,457
Mall operations	1,856,071	1,605,302	1,161,326
Others	502,955	327,506	88,158
	5,992,507	5,443,852	4,674,941
Total Revenue	₱23,240,854	₱21,687,456	₱19,186,464

The Group's real estate sales and theater sales are revenue from contracts with customers which are recognized over time while revenue from snack bar sales is recognized at a point in time.

Others from rental revenues includes rent from co-living units, industrial park, co-working spaces and hospitality business operations.



As of December 31, 2024, contract balances are as follows:

	Current	Noncurrent	Total
	(In Thousands)		
Contracts receivable	₱2,178,282	₱—	₱2,178,282
Contract assets	5,785,979	2,653,114	8,439,093
Contract liabilities	586,257	24,156	610,413

As of December 31, 2023, contract balances are as follows:

	Current	Noncurrent	Total
	(In Thousands)		
Contracts receivable	₱1,837,829	₱—	₱1,837,829
Contract assets	4,745,827	5,037,942	9,783,769
Contract liabilities	792,402	149,949	942,351

Real estate sales contracts are collectible in equal monthly principal installments in varying periods of two (2) to ten 10 years. Interest rates per annum range from 11.5% to 19.0%. Titles to the residential units sold transferred to customers upon full payment of the contract price.

Contract assets represent the right to consideration for assets already delivered by the Group in excess of the amount recognized as contracts receivable. Contract assets is reclassified to contracts receivable when monthly amortization of customer is due for collection.

In 2024 and 2023, the Parent Company entered into an Agreement for Purchase of Contract Assets with local banks. The banks agreed to buy the contract assets on a without recourse basis, and the Parent Company agreed to sell, assign, transfer and convey to the bank all its rights, titles, and interest in and to the contract assets. In 2024 and 2023, total proceeds from these transactions equivalent to the carrying value of the contract assets sold amounted to ₱11.69 billion and ₱5.43 billion, respectively.

Contract liabilities consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the good and services transferred based on percentage of completion. The movement in contract liability arise mainly from revenue recognition of completed performance obligations. The amount of revenue recognized in 2024 and 2023 from amounts included in contract liabilities at the beginning of the year amounted to ₱450.27 million and ₱767.44 million, respectively.

Performance Obligation

Information about the Group's performance obligations are summarized below:

Real estate sales

The Group entered into contracts to sell with one identified performance obligation which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

The sale of a real estate unit may cover either (a) a lot; (b) house and lot or (c) condominium unit. There is one performance obligation in each of these contracts. The Group recognizes revenue from the sale of these real estate projects under pre-completed contract over time during the course of the construction.



Payment commences upon signing of the purchase application form and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include downpayment of 20% to 30% of the contract price spread over a certain period (e.g., one to two years) at a fixed monthly payment with the remaining balance payable (a) in full at the end of the period either through cash or external financing; or (b) through in-house financing which ranges from two (2) to 10 years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results in either a contract asset or contract liability.

After the delivery of the completed real estate unit, the Group provides one year warranty to repair minor defects on the delivered house and lot and condominium unit. This is assessed by the Group as a quality assurance warranty and not treated as a separate performance obligation.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31, 2024 and 2023 amounted to ₱3.05 billion and ₱2.91 billion, respectively. Performance obligation for the transaction price amounting to ₱2.78 billion and ₱2.45 billion will be satisfied within one year as of December 31, 2024 and 2023, respectively.

The remaining performance obligations expected to be recognized within one year and in more than one year relate to the continuous development of the Group's real estate projects. The Group's mid-rise condominium units and high-rise condominium units are completed within three (3) and five (5) years, respectively, from start of construction while house and lots are expected to be completed within 12 months.

Rental agreements

The Group entered into lease agreements for its mall retail spaces and office spaces with the following identified performance obligations: (a) lease of space; (b) provisioning of water and electricity; (c) provision of air conditioning and CUSA services presented as tenant dues; and, (d) administration fee. Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations are recognized when services are rendered. The tenant is required to settle within seven (7) to 20 days upon receipt of the bill. In case of delay in payments, a penalty of 3% to 36% per annum is charged for the amount due for the duration of delay. The lease arrangement would typically require a tenant to pay advance rental equivalent to three (3) months and a security deposit equivalent to three (3) months rental to cover any breakages after the rental period, with the excess returned to the tenant.

Cost to Obtain Contracts and Contract Fulfillment Assets

The rollforward of the cost to obtain contract included in the other current assets is as follows:

	2024	2023
	(In Thousands)	
Balance at beginning of year	₱367,514	₱473,852
Additions	734,410	632,296
Amortization (Note 23)	(811,308)	(738,634)
Balance at end of year (Note 11)	₱290,616	₱367,514

Amortization of cost to obtain contract is recognized in the consolidated statements of comprehensive income under selling and marketing expenses.



For the years ended December 31, 2024 and 2023, additions of contract fulfillment assets amounted to ₱732.07 million and ₱648.65 million, respectively (see Note 10). Amortization of contract fulfillment costs amounted to ₱1.00 billion and ₱1.07 billion for the years ended December 31, 2024 and 2023, respectively. Contract fulfillment assets is included as part of real estate inventories.

The Group reviews its major contracts to identify indicators of impairment of contract fulfillment assets by comparing the carrying amount of the asset to the remaining amount of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract.

In determining estimated amount of consideration, the Group uses the same principles in determining contract transaction price.

It is the Group's accounting policy, as set out in Note 2, that if a contract or specific performance obligation has exhibited marginal profitability or other indicators of impairment, judgement is applied to ascertain whether the future economic benefits from these contracts are sufficient to recover these assets. In performing this impairment assessment, management is required to make an assessment of the costs to complete the contract. The ability to accurately forecast such costs involves estimates around cost savings to be achieved over time, anticipated profitability of the contract, as well as future performance against any contract-specific key performance indicators that could trigger variable consideration, or service credits.

7. Cash and Cash Equivalents

This account consists of:

	2024	2023
	(In Thousands)	
Cash	₱3,011,408	₱4,604,987
Cash equivalents	972,783	1,127,021
	₱3,984,191	₱5,732,008

Cash includes cash on hand and in banks. Cash in banks earn interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from dates of placement and are subject to an insignificant risk of change in value.

Interest income earned on the Group's cash and cash equivalents amounted to ₱98.70 million, ₱80.39 million and ₱71.20 million in 2024, 2023 and 2022, respectively (see Note 24).

There is no restriction on the Group's cash and cash equivalents as at December 31, 2024 and 2023.



8. Contracts Receivables

This account consists of:

	2024	2023
	(In Thousands)	
Contracts receivable	₱1,932,985	₱1,582,486
Receivables from government and financial institutions	245,297	255,343
	₱2,178,282	₱1,837,829

Real estate sales contracts are collectible over varying periods within 2 to 10 years. The receivables arising from real estate sales are collateralized by the corresponding real estate properties sold. The Group records any excess of progress work over the right to an amount of consideration that is unconditional (i.e., contracts receivable) as contract assets (see Note 6).

Receivables from government and financial institutions pertain to government and bank-financed real estate sales. Receivables from government and financial institutions are collectible within one (1) year.

Interest income recognized on contracts receivable amounted to ₱199.50 million, ₱174.03 million and ₱276.49 million in 2024, 2023 and 2022, respectively (see Note 24). Interest rates per annum on contracts receivable range from 11.5% to 19.0% for these years.

The Group has a mortgage insurance contract with Philippine Guarantee Corporation (PhilGuarantee), a government insurance company for a retail guaranty line. As of December 31, 2024 and 2023, the contracts (comprise of both contract receivables and contract assets) covered by the guaranty line amounted to ₱193.57 million and ₱361.45 million, respectively. As of December 31, 2024 and 2023, the remaining unutilized guaranty line amounted to ₱1.37 billion.

As of December 31, 2024 and 2023, no impairment losses were recognized from contracts receivables.

9. Other Receivables

This account consists of:

	2024	2023
	(In Thousands)	
Receivables from tenants	₱2,302,942	₱2,038,850
Due from related parties (Note 21)	434,428	695,344
Advances to officers and employees	418,147	422,954
Receivables from homeowners' associations (HOAs)	174,596	227,671
Others	292,037	139,383
	3,622,150	3,524,202
Less: Allowance for ECLs	58,758	59,146
	₱3,563,392	₱3,465,056

"Receivables from tenants" represent charges to tenants for rentals and utilities normally collectible within 15-20 days from billing date.



“Advances to officers and employees” represent advances for project costs, marketing activities, travel and other expenses arising from the ordinary course of business which are liquidated upon the accomplishment of the purposes for which the advances were granted.

“Receivables from homeowners’ associations” represent claims from the homeowners’ association of the Group’s projects for the payment of the expenses on behalf of the association.

“Others” represent advances for selling, marketing, and administrative expenses of international sales offices, arising from the ordinary course of business which are liquidated upon the accomplishment of the purposes for which the advances were granted.

Set out below is the movement of the allowance for ECLs of other receivables:

	2024		
	Receivables from tenants	Receivables from HOAs	Total
	(In Thousands)		
Balance at beginning of year	₱43,282	₱15,864	₱59,146
Reversal of ECLs	(388)	—	(388)
Balance at end of year	₱42,894	₱15,864	₱58,758

	2023		
	Receivables from tenants	Receivables from HOAs	Total
	(In Thousands)		
Balance at beginning of year	₱34,803	₱15,864	₱50,667
Provision for ECLs	8,479	—	8,479
Balance at end of year	₱43,282	₱15,864	₱59,146

10. Real Estate Inventories

This account consists of:

	2024	2023
	(In Thousands)	
Real estate inventories – at cost		
Lots, condominium and residential units for sale	₱43,991,685	₱45,642,483
Land and land development	25,975,429	26,992,347
	₱69,967,114	₱72,634,830

A summary of the movement in lots, condominium and residential units for sale is set out below:

	2024	2023
	(In Thousands)	
Balance at beginning of year	₱45,642,483	₱44,623,160
Effect of adoption of IFRIC Agenda Decision on PAS 23 (Note 2)	(5,532,604)	—
Balance as at January 1, as adjusted	40,109,879	44,623,160

(Forward)



	2024	2023
	(In Thousands)	
Construction/development costs incurred	₱10,461,681	₱7,319,735
Transferred from land and land development (Note 6)	732,071	648,649
Transfer from investment properties (Note 13)	42,952	—
Capitalized borrowing costs	—	699,846
Additions thru asset acquisition (Notes 1 and 3)	—	452,578
Cost of real estate sales	(7,354,898)	(8,101,485)
Balance at end of year	₱43,991,685	₱45,642,483

Capitalization rate for the capitalized borrowing costs is nil, 5.15% and 4.70% in 2024, 2023 and 2022, respectively.

A summary of the movement in land and land development is set out below:

	2024	2023
	(In Thousands)	
Balance at beginning of year	₱26,992,347	₱26,703,327
Site development and incidental costs	1,300,203	886,558
Land acquisitions (Notes 1 and 3)	4,745	51,111
Transferred to lots, condominium and residential units for sale	(732,071)	(648,649)
Transfer to investment properties (Note 13)	(1,589,795)	—
Balance at end of year	₱25,975,429	₱26,992,347

Borrowing costs capitalized as part of land and land development, where activities necessary to prepare it for its intended use is ongoing, amounted to ₱766.21 million, ₱620.18 million and ₱430.55 million for the years ended December 31, 2024, 2023 and 2022, respectively. Capitalization rate is 5.47%, 5.15% and 4.7% in 2024, 2023 and 2022, respectively.

11. Other Current Assets

This account consists of:

	2024	2023
	(In Thousands)	
Input taxes -net	₱3,921,006	₱3,842,624
Creditable withholding taxes	2,136,391	1,231,664
Prepaid expenses	829,717	807,382
Advances to contractors and suppliers	454,622	445,383
Construction materials and supplies	451,749	401,535
Cost to obtain contract (Note 6)	290,616	367,514
Short-term deposits	179,750	96,332
	₱8,263,851	₱7,192,434

“Input taxes” pertains to VAT passed on from purchases of goods or services which is applied against output VAT.



“Creditable withholding taxes” are the taxes withheld by the withholding agents from payments to the sellers which is creditable against the income tax payable.

“Prepaid expenses” consist of prepayments for commissions on leases, marketing fees, advertising and promotions, taxes and licenses, rentals and insurance.

“Advances to contractors and suppliers” pertain to down payments made by the Group which are applied against future billings for development and construction contracts of real estate inventories.

“Construction materials and supplies” pertain to inventories to be used in the construction and maintenance of projects.

“Cost to obtain contract” includes accrued commissions net of amount paid to brokers relating to the sale of real estate inventories which qualify for revenue recognition.

12. Investments in Associates

This account consists of:

	2024	2023
	(In Thousands)	
At equity:		
Acquisition cost		
Balance at beginning of year	₱1,028,841	₱1,018,841
ProActive Professionals Corp. (ProActive)	—	10,000
Balance at end of year	1,028,841	1,028,841
Accumulated equity in net earnings:		
Balance at beginning of year	1,808,158	1,733,276
Equity in net earnings for the year	359,036	242,007
Dividend declaration	(257,726)	(167,125)
Balance at end of year	1,909,468	1,808,158
Share in revaluation increment on land at deemed cost	2,010,452	2,010,452
Share in other components of equity	372,449	372,449
	₱5,321,210	₱5,219,900

The carrying value of the Group’s investments in associates as of December 31 follows:

	2024	2023
	(In Thousands)	
FAI	₱4,969,569	₱4,908,516
Dreambuilders Pro, Inc. (DPI)	94,294	93,119
Filinvest Mimosa, Inc. (FMI)	84,228	81,629
SharePro, Inc. (SPI)	59,418	31,040
Corporate Technologies, Inc. (CTI)	53,958	52,190
Pro-Excel	49,743	43,406
ProActive	10,000	10,000
	₱5,321,210	₱5,219,900



FAI

The Parent Company has a 20% interest in FAI which is involved primarily in the development of commercial buildings, residential condominiums and land. FAI is also involved in leasing of commercial real estate and marketing.

Dividends declared by FAI and the corresponding share of the Group for the year ended December 31, 2024 amounted to ₱1,253.00 million and ₱250.60 million, respectively, and for the year ended December 31, 2023 amounted to ₱800.00 million and ₱160.00 million, respectively.

Summarized financial information and reconciliation of investment in FAI is as follows:

	2024	2023
	(In Thousands)	
Current assets	₱16,185,757	₱15,185,721
Noncurrent assets	24,288,735	22,398,234
Total assets	40,474,492	37,583,955
Current liabilities	2,685,551	2,327,477
Noncurrent liabilities	9,636,696	7,233,433
Total liabilities	12,322,247	9,560,910
Equity	₱28,152,245	₱28,023,045
Proportion of the Group's ownership	20%	20%
Equity in net assets of associate	₱5,630,449	₱5,604,609
Less upstream sales	660,880	696,093
Carrying amount of the investment	₱4,969,569	₱4,908,516
Revenue and other income	₱4,724,114	₱3,633,405
Cost and other expenses	(2,253,671)	(1,933,204)
Depreciation	(217,601)	(218,825)
Interest expense	(96,278)	(67,134)
Interest income	24,019	17,592
Income before tax	2,180,583	1,431,834
Income tax expense	622,308	363,482
Net income for the year	₱1,558,275	₱1,068,352
Group's equity in net earnings of associate	₱311,655	₱213,670

Share in net earnings of FAI amounted to ₱72.70 million for the year ended December 31, 2022.

DPI

In 2020, the Parent Company's 45% interest in DPI was classified as investments in associate. Share in net earnings (losses) of DPI amounted to ₱1.17 million, (₱2.38 million) and (₱3.39 million) for the years ended December 31, 2024, 2023 and 2022, respectively.

FMI

In 2016, FMI was incorporated to enter into an agreement with Clark Development Corporation (CDC) for the lease of the Mimosa Leisure Estate. The Parent Company subscribed for 47.5% of FMI's capital stock amounting to ₱37.83 million. Share in net earnings of FMI amounted to ₱2.60 million, ₱1.28 million and ₱5.77 million for the years ended December 31, 2024, 2023 and 2022, respectively.



SPI

SPI was incorporated and operating in the Philippines and handles the technical and project management services for the Group. In December 2021, the Parent Company subscribed for 45.0% of SPI's capital stock amounting to ₱11.25 million. Share in net earnings of SPI amounted to ₱28.38 million, ₱16.99 million and ₱2.81 million for the years ended December 31, 2024, 2023 and 2022, respectively.

CTI

In 2019, the 30% interest in CTI of the Parent Company was classified as investments in associate. CTI is primarily involved in information technology service management. Share in net earnings (losses) of CTI amounted ₱1.77 million, ₱1.97 million and (₱2.94 million) for the years ended December 31, 2024, 2023 and 2022, respectively.

Pro-Excel

On December 28, 2022, FAI entered into a Deed of Absolute Sale of Shares to sell portion of its interest in Pro-Excel to FLI for a total consideration of ₱10.97 million. The resulting ownership interest of FLI in Pro-Excel after the transfer is 47.5%. Share in net earnings of Pro-Excel amounted to ₱13.46 million, ₱10.49 million and ₱4.01 million for the years ended December 31, 2024, 2023 and 2022, respectively.

Dividends declared by Pro-Excel and the corresponding share of the Group amounted to ₱15.00 million and ₱7.13 million for both years ended December 31, 2024 and 2023.

ProActive

ProActive was incorporated to provide business process outsourcing services for the Group. On August 9, 2023, the Parent Company subscribed to 40.0% of ProActive's capital stock amounting to ₱10.00 million. ProActive has not started commercial operations as of December 31, 2024.

Aggregate financial information on the associates with immaterial interest (FMI, CTI, Pro-Excel, DPI, SPI and ProActive) follows:

	2024	2023
	(In Thousands)	
Carrying amount of investments	₱351,641	₱311,384
Share in net income/total comprehensive income	47,381	28,337

The Group does not restrict profit distribution of its associates. The associates have no contingent liabilities outside of the ordinary course of business or capital commitments as at December 31, 2024 and 2023.



13. Investment Properties

The rollforward analysis of this account as of December 31 follows:

	2024					Total
	Land	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Right-of-use assets (Note 15)	
	(In Thousands)					
Cost						
Balances at beginning of year	₱16,575,680	₱32,104,793	₱407,782	₱35,545,897	₱5,376,136	₱90,010,288
Additions	287,535	1,356,651	42,171	3,749,956	—	5,436,313
Transfers (Note 10)	1,589,795	(82,995)	—	—	—	1,506,800
Balances at end of year	18,453,010	33,378,449	449,953	39,295,853	5,376,136	96,953,401
Accumulated Depreciation						
Balances at beginning of year	—	9,199,751	396,712	—	754,489	10,350,952
Depreciation (Note 22)	—	1,431,050	18,111	—	152,296	1,601,457
Transfers (Note 10)	—	(40,043)	—	—	—	(40,043)
Balances at end of year	—	10,590,758	414,823	—	906,785	11,912,366
Net Book Value	₱18,453,010	₱22,787,691	₱35,130	₱39,295,853	₱4,469,351	₱85,041,035
	2023					
	Land	Buildings and Improvements	Machinery and Equipment	Construction in Progress	Right-of-use assets (Note 15)	Total
	(In Thousands)					
Cost						
Balances at beginning of year	₱16,533,276	₱29,538,271	₱382,015	₱34,327,269	₱5,376,136	₱86,156,967
Additions	42,404	2,566,522	25,767	1,218,628	—	3,853,321
Balances at end of year	16,575,680	32,104,793	407,782	35,545,897	5,376,136	90,010,288
Accumulated Depreciation						
Balances at beginning of year	—	8,150,458	377,477	—	607,636	9,135,571
Depreciation (Note 22)	—	1,049,293	19,235	—	146,853	1,215,381
Balances at end of year	—	9,199,751	396,712	—	754,489	10,350,952
Net Book Value	₱16,575,680	₱22,905,042	₱11,070	₱35,545,897	₱4,621,647	₱79,659,336

The additions to buildings and improvements are mainly due to improvements made for office and commercial buildings to be leased out.

Construction in progress pertain to buildings under construction to be leased as retail and office spaces upon completion.

Borrowing costs capitalized as part of investment properties amounted to ₱1.43 billion, ₱944.83 million and ₱812.02 million in 2024, 2023 and 2022, respectively. Capitalization rates used are 4.27% to 6.64%, 4.33% to 6.68% and 3.6% to 6.12% in 2024, 2023 and 2022, respectively.

The aggregate fair value of the Group's investment properties amounted to ₱215.34 billion and ₱214.64 billion as of December 31, 2024 and 2023, respectively, based on third party appraisals performed for certain assets by an SEC accredited independent appraiser and management appraisal updated using current and year-end values and assumptions. The fair value of buildings was determined using the income approach based on discounted cash flow analysis. The fair value of land was determined using the income approach based on discounted cash flow analysis.

Under the income approach, all expected cash flow from the use of the assets were projected and discounted using the appropriate discount rate reflective of the market expectations. The valuation of investment property is categorized as Level 3 in the fair value hierarchy since valuation is based on unobservable inputs. The significant unobservable inputs used in the valuation pertains to lease income growth rate and discount rate. Significant increases (decreases) in discount rate would result in a significantly lower (higher) fair value measurement while a change in the assumption used for the



lease income growth rate is accompanied by a directionally similar change in the fair value of the Group's investment properties.

The Group has no restrictions on the realizability of its investment properties.

Revenue from rental and related services from investment properties amounted to ₱7.38 billion, ₱6.75 billion and ₱6.06 billion in 2024, 2023 and 2022, respectively (see Note 6). Cost of rental and related services arising from investment properties is as follows:

	2024	2023	2022
	(In Thousands)		
Mall operations	₱2,141,178	₱1,822,415	₱1,410,754
Depreciation	1,282,590	1,201,601	993,133
Others	18,914	27,721	6,477
	₱3,442,682	₱3,051,737	₱2,410,364

“Others” pertain to cost of ticket sales and snack bar sales.

The Group classifies the depreciation of fit out cost and machinery and equipment related to the common area and air-conditioning as part of the maintenance and air-conditioning dues that are collected from the tenants. In 2024, 2023 and 2022, depreciation expense recognized as part of “Rental and related services” revenue amounted to ₱166.57 million, ₱179.20 million and ₱13.42 million, respectively.

14. Property and Equipment

The rollforward analysis of this account as of December 31 follows:

2024							
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
(In Thousands)							
Cost							
Balances at beginning of year	₱3,699,958	₱3,340,297	₱223,602	₱190,607	₱322,297	₱277,210	₱8,053,971
Additions	54,830	394,541	15,708	47,595	13,861	11,659	538,194
Balances at end of year	3,754,788	3,734,838	239,310	238,202	336,158	288,869	8,592,165
Accumulated Depreciation and Amortization							
Balances at beginning of year	797,291	1,106,310	170,430	149,062	157,866	—	2,380,959
Depreciation and amortization (Note 22)	98,036	227,524	16,185	42,860	13,882	—	398,487
Balances at end of year	895,327	1,333,834	186,615	191,922	171,748	—	2,779,446
Net Book Value	₱2,859,461	₱2,401,004	₱52,695	₱46,280	₱164,410	₱288,869	₱5,812,719

2023							
	Land and Buildings	Machinery and Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
(In Thousands)							
Cost							
Balances at beginning of year	₱3,613,237	₱3,166,765	₱185,075	₱166,739	₱213,023	₱220,898	₱7,565,737
Additions	86,721	173,532	38,527	23,868	109,274	56,312	488,234
Balances at end of year	3,699,958	3,340,297	223,602	190,607	322,297	277,210	8,053,971
Accumulated Depreciation and Amortization							
Balances at beginning of year	699,238	966,089	155,299	123,207	136,625	—	2,080,458
Depreciation and amortization (Note 22)	98,053	140,221	15,131	25,855	21,241	—	300,501
Balances at end of year	797,291	1,106,310	170,430	149,062	157,866	—	2,380,959
Net Book Value	₱2,902,667	₱2,233,987	₱53,172	₱41,545	₱164,431	₱277,210	₱5,673,012



There are no property and equipment items pledged to secure the obligations of the Group as of December 31, 2024 and 2023.

15. Leases

Group as lessee

The Group has lease contracts on land where the buildings are situated. The Group's obligations under its leases are secured by the lessor's title to the leased assets. The Group has entered into land lease arrangements with lease terms ranging from 25 and 50 years. Several leases include extension option to lease the assets for additional 25 years based on mutual agreement of the parties.

The rollforward analysis of right-of-use assets on land as of December 31 follows:

	2024		
	Investment Properties (Note 13)	BTO Rights (Note 16)	Total
	(In Thousands)		
Cost			
Balances at beginning and end of year	₱5,376,136	₱112,424	₱5,488,560
Accumulated Depreciation			
Balances at beginning of year	754,489	21,037	775,526
Depreciation (Note 22)	152,296	2,465	154,761
Balances at end of year	906,785	23,502	930,287
Net Book Value	₱4,469,351	₱88,922	₱4,558,273

	2023		
	Investment Properties (Note 13)	BTO Rights (Note 16)	Total
	(In Thousands)		
Cost			
Balances at beginning and end of year	₱5,376,136	₱112,424	₱5,488,560
Accumulated Depreciation			
Balances at beginning of year	607,636	14,142	621,778
Depreciation (Note 22)	146,853	6,895	153,748
Balances at end of year	754,489	21,037	775,526
Net Book Value	₱4,621,647	₱91,387	₱4,713,034

The rollforward analysis of lease liabilities as of December 31 follows:

	2024	2023
	(In Thousands)	
Balances at beginning of year	₱6,719,861	₱6,508,490
Interest expense (gross of related capitalized borrowing costs)	619,384	583,815
Payments	(408,907)	(372,444)
Balances at end of year	6,930,338	6,719,861
Lease liabilities - current portion	155,891	175,459
Lease liabilities - net of current portion	₱6,774,447	₱6,544,402



The Group also has certain lease of land with variable rental payments and lease of office space considered as 'low-value assets'. The Group applies the lease of 'low-value assets' recognition exemptions for these leases.

The following are the amounts recognized in the consolidated statement of income for the years ended December 31:

	2024	2023	2022
	(In Thousands)		
Interest and other finance charges on lease liabilities (Note 24)	₱520,667	₱487,174	₱425,148
General and administrative expenses (Note 22)			
Depreciation expense of right-of-use assets	154,761	153,748	158,424
Variable lease payments and expenses relating to leases of low-value assets (Note 22)	16,019	10,464	19,837
	₱691,447	₱651,386	₱603,409

Interest expense capitalized as part of investment properties and BTO Rights amounted to ₱98.72 million, ₱96.64 million and ₱95.43 million in 2024, 2023 and 2022, respectively.

Shown below is the maturity analysis of the undiscounted lease payments:

	2024	2023
	(In Thousands)	
1 year	₱478,337	₱456,582
more than 1 years to 2 years	496,959	478,337
more than 2 years to 3 years	520,292	496,959
more than 3 years to 4 years	540,138	520,292
more than 5 years	27,210,871	27,756,008

Group as lessor

Future minimum rental receivables under renewable operating leases as of December 31 are as follows:

	2024	2023
	(In Thousands)	
Within one year	₱4,220,818	₱4,172,360
After one year but not more than five years	10,500,606	9,252,477
After five years	5,011,914	2,165,805
	₱19,733,338	₱15,590,642

The Group entered into lease agreements with third parties covering real estate properties. These leases generally provide for either (a) fixed monthly rent (b) minimum rent or a certain percentage of gross revenue, whichever is higher. Most lease terms on commercial malls are renewable within one year, except for anchor tenants with lease ranging from five (5) to 15 years.



Rental income recognized based on a percentage of the gross revenue of mall tenants included in “Rental and related services” account in the consolidated statement of income amounted to ₱502.29 million, ₱457.26 million and ₱391.64 million in 2024, 2023 and 2022, respectively.

The Group granted rental concessions to its tenants which were affected by the community quarantine imposed by the government amounting to ₱70.76 million and ₱314.84 million in 2023 and 2022, respectively. These rent concessions did not qualify as a lease modification, thus, were accounted for as negative variable lease payments and reported as reduction of lease income in 2023 and 2022.

16. Build-Transfer-Operate (BTO) Rights

BTO rights pertain to the cost related to the BTO agreement with The Province of Cebu (Cebu Province) entered on March 26, 2012. The BTO project relates to the development, construction, and operation of the Business Process Outsourcing (BPO) Complex by the Group at the land properties owned by Cebu Province located at Salinas, Lahug, Cebu City.

The rollforward analysis of BTO rights is as follows:

	December 31, 2024		
	BTO Rights	Right-of-Use Assets	Total
	(In Thousands)		
Cost			
Balance at beginning of year	₱6,863,079	₱112,424	₱6,975,503
Additions	84,717	—	84,717
Balance at end of year	6,947,796	112,424	7,060,220
Accumulated Amortization			
Balance at beginning of year	566,868	21,037	587,905
Depreciation (Note 22)	140,688	2,465	143,153
Balance at end of year	707,556	23,502	731,058
Net Book Value	₱6,240,240	₱88,922	₱6,329,162

	December 31, 2023		
	BTO Rights	Right-of-Use Assets	Total
	(In Thousands)		
Cost			
Balance at beginning of year	₱5,997,831	₱112,424	₱6,110,255
Additions	865,248	—	865,248
Balance at end of year	6,863,079	112,424	6,975,503
Accumulated Amortization			
Balance at beginning of year	496,263	14,142	510,405
Depreciation	70,605	6,895	77,500
Balance at end of year	566,868	21,037	587,905
Net Book Value	₱6,296,211	₱91,387	₱6,387,598

“Right-of-use assets” pertain to the related lease payments required under land lease contracts and the BTO agreement for the land where the buildings were constructed.



Interest incurred capitalized amounted to ₱64.80 million, ₱90.71 million and ₱46.25 million in 2024, 2023 and 2022, respectively.

In 2024, 2023 and 2022, related amortization recognized as part of “Cost of rental and related services” amounted to ₱140.69 million, ₱70.61 million and ₱173.13 million, respectively. Rental income amounting to ₱466.11 million, ₱455.50 million and ₱290.56 million in 2024, 2023 and 2022, respectively, was recognized as part of “Revenue from rental and related services”.

17. Other Noncurrent Assets

This account consists of:

	2024	2023
	(In Thousands)	
Advances to contractors and suppliers (Note 11)	₱2,147,019	₱1,249,226
Advances to joint venture partners	258,718	311,157
Creditable withholding taxes - net of current portion (Note 11)	239,031	178,626
Input taxes - net of current portion	230,170	230,170
Deposits	223,616	72,057
Investment in bonds	150,000	150,000
Financial assets at FVOCI	15,535	15,535
Other assets	52,239	67,809
	₱3,316,328	₱2,274,580

“Advances to joint venture partners” are advances (e.g., property taxes and permits) which are normally applied against the share of the joint venture partners from sale of the joint venture properties reported under “Other receivables” in consolidated statements of financial position.

“Deposits” includes advances to sellers for the purchase of land prior to issuance of Contract to Sell. These also includes security deposits and rental deposits.

“Investment in bonds” consist of a 5-year, non-interest bearing, Class A Senior Notes with a face amount of ₱150.0 million issued by a third party special purpose trust fund duly registered with the Bangko Sentral ng Pilipinas invested by the Parent Company on December 19, 2022.

“Financial assets at FVOCI” consist of quoted and unquoted shares of stock (see Note 31). Unquoted investments in shares of stock include unlisted preferred shares in a public utility company which the Group will continue to carry as part of the infrastructure that it provides for its real estate development projects. The Group did not receive dividends from unquoted shares in 2024, 2023 and 2022.

“Other assets” includes utility deposits such as electric meter deposit and water meter deposit.



18. Accounts Payable and Accrued Expenses

This account consists of:

	2024			2023		
	Current	Noncurrent	Total	Current	Noncurrent	Total
	(In Thousands)					
Accounts payable	₱2,855,109	₱7,094,749	₱9,949,858	₱5,579,664	₱5,017,658	₱10,597,322
Deposits from tenants	1,976,364	1,805,810	3,782,174	1,630,033	1,645,028	3,275,061
Retention fees payable	2,264,555	889,104	3,153,659	2,082,442	499,537	2,581,979
Deposits for registration	239,726	1,731,707	1,971,433	217,825	1,573,499	1,791,324
Accrued expenses	1,964,763	—	1,964,763	1,712,947	—	1,712,947
Accrued interest on bonds and loans (Notes 19 and 20)	535,049	—	535,049	674,345	—	674,345
Other payables (Note 21)	1,111,510	114,097	1,225,607	653,909	202,281	856,190
	₱10,947,076	₱11,635,467	₱22,582,543	₱12,551,165	₱8,938,003	₱21,489,168

“Accounts payable” includes the outstanding balance of the costs of land acquired by the Group and is payable on scheduled due dates or upon completion of certain requirements (see Notes 10, 13 and 14). This account also includes dividends payable and amount payable to contractors and suppliers for the construction and development costs and operating expenses incurred by the Group.

“Deposits from tenants” are advance payments received for rentals, utilities and other fees. These are applied against rental obligations of tenants once due.

“Retention fees payable” pertains to the amount withheld from the progress billings of the contractors and is released generally one year from the completion of the construction agreement.

“Deposits for registration” pertain to amounts collected from buyers for payment of registration of real estate properties. This account is charged for costs incurred related to transfer of title to buyers.

“Accrued expenses” pertain to various operating expenses incurred by the Group in the course of business such as salaries and wages, professional fees, unbilled construction cost related to ongoing projects, and utilities expense, among others. These are noninterest-bearing and are normally settled within one year.

Accrued expenses account consists of:

	2024	2023
	(In Thousands)	
Suppliers and contractors	₱1,907,970	₱1,658,604
Professional fees	39,077	35,975
Payroll	10,908	12,917
Utilities	1,860	4,355
Other accruals	4,948	1,096
	₱1,964,763	₱1,712,947

“Other payables” pertain mainly to withholding taxes, output VAT payables and deferred income which are generally settled/earned within 12 months.



19. Loans Payable

This account consists of:

	2024	2023
	(In Thousands)	
Short term loans	₱1,200,000	₱4,440,000
Long-term loans	41,069,337	32,645,048
Developmental loans from local banks	42,269,337	37,085,048
Less unamortized transaction costs	236,693	97,121
	42,032,644	36,987,927
Less current portion of loans payable	6,876,639	16,480,438
Long-term portion of loans payable	₱35,156,005	₱20,507,489

Developmental loans from local banks will mature on various dates up to 2028. These Peso-denominated loans bear floating interest rates, which are repriced quarterly, semi-annually or annually based on either 3-month, 6-month or 1-year Bloomberg Valuation (BVAL), or Reverse Repurchase Rate (RRP), plus margin, per annum.

The Group availed additional loans amounted to ₱38.10 billion, ₱24.66 billion and ₱12.81 billion in 2024, 2023, and 2022, respectively. These include availment of short-term loans payable amounting to ₱11.52 billion, ₱16.51 billion and ₱10.33 billion in 2024, 2023 and 2022, respectively.

Principal payments made amounted to ₱32.91 billion, ₱20.53 billion and ₱12.16 billion in 2024, 2023 and 2022, respectively.

As of December 31, 2024 and 2023, short term loans payable, presented under current portion of loans payable amounted to ₱1.2 billion and ₱4.44 billion, respectively.

Interest incurred on these loans (gross of related capitalized borrowing costs) amounted to ₱3.06 billion, ₱2.20 billion and ₱1.59 billion for the years ended December 31, 2024, 2023, and 2022, respectively.

Transactions costs capitalized amounted to ₱242.36 million and ₱102.49 million in 2024 and 2023, respectively. Amortization of transaction costs amounted to ₱102.79 million, ₱109.55 million and ₱54.92 million in 2024, 2023 and 2022, respectively, and included under “Interest and other finance charges” (see Note 24).

The Group’s loans payable is unsecured and no assets are held as collateral for these debts. The agreements covering the abovementioned loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.0x and minimum interest coverage ratio of 1.0x.

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock if it would materially and adversely affect the Group’s ability to perform its obligations; sale or transfer and disposal of all or a substantial part of its capital assets other than in the ordinary course of business; restrictions on use of funds other than the purpose it was approved for; and entering into any partnership, merger, consolidation or reorganization except in the ordinary course of business and except when the Group maintains controlling interest. As of December 31, 2024 and 2023, the Group has not been cited in default on any of its outstanding obligations.



20. Bonds Payable

This account consists of:

	2024	2023
	(In Thousands)	
Bonds payable	₱36,095,400	₱37,795,395
Less unamortized transaction costs	238,812	326,883
	35,856,588	37,468,512
Less current portion of bonds payable	14,815,944	1,697,345
Long-term portion of bonds payable	₱21,040,644	₱35,771,167

- a. On November 8, 2013, the Parent Company issued fixed rate bonds with aggregate principal amount of ₱7.00 billion comprised of ₱4.30 billion, 7-year bonds with interest of 4.86% per annum due in 2020 and ₱2.70 billion, 10-year bonds with interest of 5.43% per annum due in 2023. Interest for both bonds is payable quarterly in arrears starting on February 8, 2014. On November 8, 2023, the Parent Company paid the remaining balance amounting to ₱2.70 billion.

Unamortized debt issuance cost on bonds payable amounted to ₱2.16 million as of December 31, 2022 (nil as of December 31, 2023). Accretion in 2023 and 2022 included as part of 'Interest and other finance charges' amounted to ₱2.16 million and ₱2.53 million (nil as of December 31, 2024), respectively (see Note 24).

- b. On December 4, 2014, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱7.00 billion comprising of ₱5.30 billion, 7-year fixed rate bonds due in 2021 and ₱1.70 billion, 10-year fixed rate bonds due in 2024. The 7-year bonds carry a fixed rate of 5.40% per annum, while the 10-year bonds have a fixed interest rate of 5.64% per annum. The Parent Company paid the ₱1.70 billion on December 4, 2024. As of December 31, 2023, ₱1.70 billion of the related bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱2.65 million as of December 31, 2023 (nil as of December 31, 2024). Accretion in 2024, 2023 and 2022 included as part of "Interest and other finance charges" amounted to ₱2.65 million, ₱0.29 million and ₱1.53 million, respectively (see Note 24).

- c. On August 20, 2015, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.00 billion comprising of ₱7.00 billion, 7-year fixed rate bonds due in 2022 and ₱1.00 billion, 10-year fixed rate bonds due in 2025. The 7-year bonds carry a fixed rate of 5.36% per annum, while the 10-year bonds have a fixed rate of 5.71% per annum. The Parent Company paid the ₱7.0 billion bonds on August 20, 2022. As of December 31, 2024 and 2023, ₱1.0 billion of the related bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱2.76 million and ₱3.07 million as of December 31, 2024 and 2023, respectively. Accretion in 2024, 2023 and 2022 included as part of "Interest and other finance charges" amounted to ₱0.31 million, ₱0.34 million and ₱9.54 million, respectively (see Note 24).

- d. On July 7, 2017, FILRT issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱6.00 billion and term of five and a half (5.5) years due in 2023. The bonds carry a fixed rate of 5.05% per annum, payable quarterly in arrears starting on October 7, 2017. On January 9, 2023, FILRT paid the outstanding bonds payable balance amounting to ₱6.00 billion.



Accretion in 2023 and 2022 included as part of “Interest and other finance charges” amounted to ₱0.24 million, and ₱12.71 million respectively (nil in 2024) (see Note 24).

- e. On November 18, 2020, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.10 billion comprising of ₱6.34 billion, 3-year fixed rate bonds due in 2023 and ₱1.76 billion, 5.5-year fixed rate bonds due in 2026. The 3-year bonds carry a fixed rate of 3.34% per annum, while the 5.5-year bonds have a fixed rate of 4.18% per annum. On November 18, 2023, the Parent Company paid ₱6.30 billion of the outstanding bonds payable. As of December 31, 2024 and 2023, ₱1.76 billion of the related bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱6.08 million and ₱7.44 million as of December 31, 2024 and 2023, respectively. Accretion in 2024, 2023 and 2022 included as part of “Interest and other finance charges” amounted to ₱1.36 million, ₱17.21 million and ₱20.32 million respectively (see Note 24).

- f. On December 21, 2021, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱10.0 billion comprising of ₱5.0 billion, 4-year fixed rate bonds due in 2025 and ₱5.0 billion, 6-year fixed rate bonds due in 2027. The 4-year bonds carry a fixed rate of 4.5300% per annum, while the 6-year bonds have a fixed rate of 5.2579% per annum. As of December 31, 2024 and 2023, ₱10.0 billion of these bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱65.45 million and ₱82.26 million as of December 31, 2024 and 2023, respectively. Accretion in 2024, 2023 and 2022 included as part of “Interest and other finance charges” amounted to ₱16.81 million, ₱21.33 million and ₱27.44 million, respectively (see Note 24).

- g. On June 23, 2022, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.90 billion comprising of ₱8.925 billion, 3-year fixed rate bonds due in 2025 and ₱2.975 billion, 5-year fixed rate bonds due in 2027. The 3-year bonds carry a fixed rate of 5.3455% per annum, while the 5-year bonds have a fixed rate of 6.4146% per annum. As of December 31, 2024 and 2023, ₱11.90 billion of these bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱64.60 million and ₱91.45 million as of December 31, 2024 and 2023, respectively. Accretion in 2024, 2023 and 2022 included as part of “Interest and other finance charges” amounted to ₱26.85 million, ₱38.76 million and ₱24.22 million, respectively (see Note 24).

- h. On December 1, 2023, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.43 billion which are 3.5-year fixed rate bonds due in 2027. The bonds carry a fixed rate of 6.9829% per annum. As of December 31, 2024 and 2023, ₱11.43 billion of these bonds payable remain outstanding.

Unamortized debt issuance cost on bonds payable amounted to ₱99.92 million and ₱140.01 million as of December 31, 2024 and 2023, respectively. Accretion in 2024 and 2023 included as part of “Interest and other finance charges” amounted to ₱40.10 million and ₱3.45 million, respectively (see Note 24).

Interest incurred on these bonds (gross of related capitalized borrowing costs) amounted to ₱2.11 billion, ₱1.77 billion and ₱1.97 billion for the years ended December 31, 2024, 2023 and 2022, respectively. Payments made on these bonds amounted to ₱1.7 billion, ₱15.04 billion and ₱7.0 billion in 2024, 2023 and 2022, respectively.



The Group's bonds payable are unsecured and no assets are held as collateral for these debts. These bonds require the Group to maintain certain financial ratios which include maximum debt-to-equity ratio ranging from 2.0x to 2.5x; minimum current ratio ranging from 1.0x to 2.0x ; and minimum debt service coverage ratio (DSCR) of 1.0x (except for FILRT bonds which requires maximum debt-to-equity ratio of 2.33x and DSCR of 1.1x). As of December 31, 2024 and 2023, the Group has not been cited in default on any of its outstanding obligations.

21. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party in making financial and operating decisions or the parties are subject to common control of the Group's ultimate parent company (referred herein as "Affiliates"). Related parties may be individuals or corporate entities.

All material Related Party Transactions ("RPT") with a transaction value that reaches ten percent (10%) of the Group's total consolidated assets shall be subject to the review by the RPT Committee.

Transactions that were entered into with an unrelated party that subsequently becomes a related party shall be excluded from the limits and approval of the Policy on Related Party Transactions ("Policy"). However, any renewal, change in the terms and conditions or increase in exposure level, related to these transactions after a non-related party becomes a related party, shall be subjected to the provisions of the Policy.

In the event wherein there are changes in the RPT classification from non-material to material, the material RPT shall be subject to the provisions of the Policy.

Outstanding balances at year-end are unsecured, interest free and require settlement in cash, unless otherwise stated. The transactions are made at terms and prices agreed upon by the parties. As of December 31, 2024 and 2023, the Group has not made any provision for impairment loss relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Significant related party transactions are as follows. Outstanding balances are unsecured and no impairment loss was recognized on any of the assets.

	2024				
	Amount/ Volume	Due from / (Due to)	Terms	Conditions	Note
	(In Thousands)				
Bank under common control of the ultimate parent					
Cash and cash equivalents	₱3,533,791	₱3,533,791	0.50% to 4.50%	No impairment	(a)
Interest income	40,964	—			
	₱3,574,755	₱3,533,791			
Ultimate Parent	₱268	₱866	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(b)
Parent	(3,123)	—	Noninterest-bearing, payable on demand	Unsecured, no impairment	(c)
Associate - CTI Share in other expenses	5,200	19,388	Due within 30 days	Unsecured, no impairment	(d)

(Forward)



2024					
	Amount/ Volume	Due from / (Due to)	Terms	Conditions	Note
Associate - Pro-Excel Share in other expenses	(P1,347)	P15,096	Due within 30 days	Unsecured, no impairment	(d)
Associate – DPI Other income	(235,770)	236,542	Due within 30 days	Unsecured, no impairment	(d)
Associate – FMI Other income	(645)	463	Due within 30 days	Unsecured, no impairment	(d)
Associate – FAI Rent income	–	99	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(g)
Share in other expenses	22,838	30,412	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(d)
Affiliates Rental income	7,191	–	Noninterest-bearing	Unsecured, no impairment	(g)
Share in common expenses	(48,337)	131,562	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(e)
Due from related parties (Note 9)		P434,428			
Parent Share in Group expenses	(P20,067)	(P36,775)	Noninterest-bearing, payable on demand	Unsecured	(c)
Asset acquisition	346,414	–	Noninterest-bearing, collectible quarterly up to December 2024	Unsecured	(c)
Associate – SPI Share in other expenses	120,716	(139,587)	Noninterest-bearing, payable on demand	Unsecured	(d)
Associate – ProActive Share in other expenses	–	(10,000)	Noninterest-bearing, payable on demand	Unsecured	(d)
Affiliates	(5,033)	(57,779)	Noninterest-bearing, payable on demand	Unsecured	(e)
Due to related parties		(P244,141)			

2023					
	Amount/ Volume	Due from / (Due to)	Terms	Conditions	Note
(In Thousands)					
Bank under common control of the ultimate parent					
Cash and cash equivalents	P3,562,314	P3,562,314	0.50% to 4.50%	No impairment	(a)
Interest income	19,594	–			
	P3,581,908	P3,562,314			
Ultimate Parent	P132	P598	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(b)
Parent		3,123	Noninterest-bearing, payable on demand	Unsecured, no impairment	(c)
Associate – CTI Share in other expenses	1,142	14,188	Due within 30 days	Unsecured, no impairment	(d)
Associate - Pro-Excel Share in other expenses	512	16,443	Due within 30 days	Unsecured, no impairment	(d)
Associate – DPI Other Income	243	472,312	Due within 30 days	Unsecured, no impairment	(d)
Associate – FMI Other income	34	1,108	Due within 30 days	Unsecured, no impairment	(d)

(Forward)



	2023				
	Amount/ Volume	Due from / (Due to)	Terms	Conditions	Note
Associate – FAI					
Rent Income	P–	P99	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(g)
Share in other expenses	6,260	7,574	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(d)
Affiliates					
Rental income	7,191	–	Noninterest-bearing	Unsecured, no impairment	(g)
Share in common expenses	6,614	179,899	Noninterest-bearing, collectible on demand	Unsecured, no impairment	(e)
Due from related parties (Note 9)		P695,344			
Parent					
Share in Group expenses	(P1,634)	(P36,777)	Noninterest-bearing, payable on demand	Unsecured	(c)
Asset acquisition	274,862	(346,414)	Noninterest-bearing, collectible quarterly up to December 2024	Unsecured	(c)
Associate – SPI					
Share in other expenses	120,716	(42,549)	Noninterest-bearing, payable on demand	Unsecured	(d)
Associate – FMI					
Share in other expenses	–	(848)	Noninterest-bearing, payable on demand	Unsecured	(d)
Associate – FAI					
Share in other expenses	–	(11,511)	Noninterest-bearing, payable on demand	Unsecured	(d)
Associate – DPI					
Share in other expenses	–	(2,648)	Noninterest-bearing, payable on demand	Unsecured	(d)
Associate – ProActive					
Share in other expenses	–	(10,000)	Noninterest-bearing, payable on demand	Unsecured	(d)
Affiliates	(1,122)	(37,739)	Noninterest-bearing, payable on demand	Unsecured	(e)
Due to related parties		(P488,486)			

a. *Transactions with bank under common control of the ultimate parent (EW)*

On January 3, 2012, the Group entered into a Receivable Purchase Agreement with East West Banking Corporation (EW), an entity under common control of the Group's parent company. The Group agreed to sell, assign, transfer and convey to EW all of its rights, titles and interest on certain contracts receivables. The contracts receivables sold to EW will be serviced by the Group under an Accounts Servicing Agreement.

Under this agreement, the Group shall be responsible for the monitoring and collection of contracts receivables sold to EW, including safekeeping of the collections in trust until these are remitted to EW, 10 days after the beginning of each month.

For the performance of the said services, the Group charges EW a service fee equivalent to a certain percentage of the amounts actually received and collected. Although the Group retains the contractual rights to receive cash flows from the contracts receivables sold to EW, the same will be subsequently distributed to EW under a "pass-through arrangement".

In this transaction, the risk of default and non-payment of buyers of contracts receivable is assumed by EW and the Group has no liability to EW for such events. Due to this, the Group derecognized the contracts receivables sold and did not recognize any liability in its consolidated financial statements.



The Group's plan assets in the form of cash equivalents amounting to ₱196.60 million and ₱96.60 million as of December 31, 2024 and 2023, respectively, are maintained with EW (see Note 26). The Group also maintains cash and cash equivalents with EW.

As of December 31, 2021, the amounts payable to EW related to a purchase of land amounted to ₱2.14 billion and are presented as part of Accounts Payable under accounts payable and accrued expenses in the consolidated statement of financial position (see Note 18). The purchase was fully paid in 2022.

b. Transactions with Ultimate Parent (ALG)

Transactions with the Group's ultimate parent company relates to sharing of common expenses.

c. Transactions with the Group's parent company (FDC)

The Parent Company charged FDC certain common expenses paid by the Parent Company on its behalf.

On December 12, 2022, FILRT entered into a Deed of Sale for the purchase of three (3) parcels of land with a total area of 29,086 sq.m. owned by FDC, located in Boracay, Aklan. The parties agreed to a total purchase price of ₱1,047.10 million, ₱314.10 million, representing 30% of purchase price, payable upon signing of the agreement and the remaining 70% amounting to ₱732.90 million payable in equal quarterly installment up to December 2024. The land and related liability were carried at present value of future cash flow amounting to ₱1,021.80 million and ₱683.30 million, respectively.

In 2009, Promax was appointed by FDC as the marketing agent to act for and on behalf of FDC in promoting the marketing and sale of the Beaufort project. Accordingly, FDC pays Promax a marketing fee equivalent to a certain percentage of the net selling price (see Note 23).

d. Transactions with Associates

FAI

'Due from Associate' include noninterest-bearing cash advances and various charges for management fees, marketing fees, share of expenses and commission charges. FAI is also the provider of water services within the Filinvest City where majority of the office buildings of the Parent Company are located

FMI

Transactions with FMI relates to sharing of common expenses.

CTI

Transactions with CTI relates to sharing of common expenses and service fee for information and technology services.

Pro-Excel

Transactions from Pro-Excel relates to sharing of common expenses and management fee for managing the buildings of FLI.

DPI

Transactions from DPI relates to sharing of common expenses and noninterest-bearing cash advances.



SPI

Transactions with SPI relates to sharing of common expenses and service fees for technical, project management and procurement. This also includes retirement benefits of certain employees of FLI that were transferred to SPI and the corresponding payable to SPI was reported under “Due to related parties” (see Note 26).

Pro-Excel and DPI rents its office space from FLI while SPI rents its office space from FILRT. Revenue earned is recorded as part of Rental Revenues in the Statements of Comprehensive Income in 2024, 2023 and 2022 (see Note 6). Outstanding receivables are recorded as part of Other Receivables in the Statements of Financial position as of December 31, 2024 and 2023 (see Note 9).

ProActive

Transactions relates to subscription of ProActive’s capital stock amounting to ₱10.00 million.

e. Transactions with Affiliates

Transactions with affiliates relates to sharing of common expenses paid by the Parent Company on their behalf.

FILRT entered into a service agreement with FDC Retail Electricity Sales whereby FILRT shall engage and pay the services rendered by the latter to provide the electricity requirements of its facilities.

FILRT also entered into a service agreement with Professional Operations Maintenance Experts Incorporated whereby FILRT shall pay the services rendered by the latter to operate and maintain its equipment and premises.

FILRT and FLI also entered into a service agreement with its affiliate, Parking Pro, Inc., to operate and maintain the FILRT’s and FLI’s parking facilities.

- f.* The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱63.37 million, ₱48.74 million and ₱28.40 million in 2024, 2023 and 2022, respectively. Post-employment benefits of key management personnel amounted to ₱11.70 million, ₱8.26 million and ₱9.88 million in 2024, 2023 and 2022, respectively.

g. Leases with related parties - Group as lessor

Chroma Hospitality, Inc., Filinvest Hospitality Corp., Boracay Seascapes, Inc., FDC, CTI, SPI, and FAI lease its office spaces from FILRT. Pro-Excel and DPI lease its office spaces from FLI. The lease term is 10 years, renewable by another five (5) years upon mutual agreement by the parties. Revenue from rental and related services amounted to ₱303.49 million and ₱271.40 million in 2024 and 2023, respectively (see Note 6). The related outstanding receivables amounting to ₱26.39 million and ₱9.52 million as of December 31, 2024 and 2023, respectively, are presented as part of ‘Receivable from tenants’ under Other receivables line item in the statement of financial position (see Note 9).



h. Leases with related parties - Group as lessee

The Group has several land lease transactions with related parties:

1. Mall lease with FAI

The Parent Company, as lessee, entered into a lease agreement with FAI on a portion of the land area occupied by the Festival Supermall and its Expansion. The lease term will expire on September 30, 2056.

2. Land lease with FAI

The Parent Company, as lessee, entered into a lease agreement with FAI for a portion of land area occupied by a third party lessee. The lease term will expire on December 31, 2034.

3. FCMI lease with FMI

FCMI, a wholly owned subsidiary of the Parent Company, subleases the Mimosa Leisure Estate from FMI, an associate of the Parent Company. The original lessor is CDC. The lease term is 50 years, renewable by another 25 years upon mutual agreement by parties.

4. PDDC lease with FAI

PDDC, a 60% owned subsidiary of the Parent Company, leases Block 50 Lot 3-B-2, Northgate District from FAI. The lease term is 20 years from the date on which the Chilled Water production plants starts supplying chilled water.

As of December 31, 2024 and 2023, the amount included in lease liabilities payable to related parties amounted to ₱6,260.0 million and ₱5,952.3 million, respectively (see Note 15).

22. General and Administrative Expenses

The account consists of:

	2024	2023	2022
	(In Thousands)		
Salaries, wages and employee benefits	₱973,947	₱787,916	₱638,921
Taxes and licenses	457,298	438,209	334,907
Depreciation and amortization (Notes 13, 14, 15 and 16)	272,172	264,988	388,694
Repairs and maintenance	238,525	401,137	357,447
Outside services	200,485	153,558	191,061
Transportation and travel	85,561	81,650	73,354
Entertainment, amusement and recreation	79,101	82,684	69,518
Electronic data processing charges	72,673	106,848	72,122
Communications, light and water	48,532	54,357	43,084
Insurance	39,779	38,675	45,933
Retirement costs (Note 26)	36,761	33,542	40,532
Office supplies	18,166	16,757	14,447
Rent (Notes 15 and 21)	16,019	10,464	19,837
Others	84,334	113,811	23,205
	₱2,623,353	₱2,584,596	₱2,313,062



“Others” mainly consists of postage and dues and subscription, parking operations, freight charges, provision for ECLs and other miscellaneous expenses.

23. Selling and Marketing Expenses

The account consists of:

	2024	2023	2022
	(In Thousands)		
Brokers' commissions (Note 6)	₱822,537	₱745,289	₱704,281
Selling, advertising and promotions	285,388	263,845	121,010
Service fees	239,895	180,031	192,163
Salaries and wages	144,696	116,533	117,599
Sales office direct costs	61,455	59,496	15,074
Others	4,188	4,941	516
	₱1,558,159	₱1,370,135	₱1,150,643

24. Interest and Other Finance Charges

The following table shows the component of interest income, interest expense and other financing charges recognized in the consolidated statements of income:

	2024	2023	2022
	(In Thousands)		
Interest income on:			
Contracts receivable (Note 8)	₱199,507	₱174,029	₱276,494
Cash and cash equivalents (Notes 7 and 21)	98,695	80,387	71,203
Others (Note 26)	20,886	29,562	19,355
	₱319,088	₱283,978	₱367,052

Interest and other finance charges:			
Loans and bonds payable, net of interest capitalized (Notes 19 and 20)	₱2,886,610	₱1,613,633	₱1,694,005
Lease liabilities, net of interest capitalized (Note 15)	520,667	487,174	425,148
Amortization of transaction costs of loans and bonds (Notes 19 and 20)	190,861	193,341	153,215
Other finance charges (Note 26)	87,609	140,245	21,875
	₱3,685,747	₱2,434,393	₱2,294,243

Other finance charges include bank charges, debt issue costs for short-term loans, and other miscellaneous bank fees.



25. Other Income

The account consists of:

	2024	2023	2022
	(In Thousands)		
Forfeited reservation and collections	₱206,591	₱92,854	₱114,937
Processing fees	166,844	94,748	107,013
Service fees (Note 21)	114,506	155,339	68,484
Management, leasing and other fees (Note 21)	32,945	1,588	6,809
Foreign currency exchange gain (loss)	1,053	(6,909)	10,644
Others	4,981	3,273	3,987
	₱526,920	₱340,893	₱311,874

26. Retirement Costs

The Group has a funded, noncontributory defined benefit retirement plan (the “Plan”) covering substantially all of its officers and regular employees. Under the Plan, all covered officers and employees are entitled to cash benefits after satisfying certain age and service requirements.

The retirement plan provides retirement benefits equivalent to 70% to 125% of the final monthly salary for every year of service. The funds are administered by the Group’s Treasurer under the supervision of the Board of Trustees of the Plan and are responsible for investment strategy of the Plan.

The following tables summarize the components of retirement expense recognized in the consolidated statements of income and pension liability recognized in the consolidated statements of financial position for the existing retirement plan.

	2024		
	Present value of defined benefit obligation	Fair value of plan asset	Net defined benefit liabilities
	(In Thousands)		
Balance as at beginning of year	₱533,793	₱96,600	₱437,193
Net benefit costs in profit or loss			
Current service cost (Note 22)	36,761	—	36,761
Net interest (Note 24)	24,782	—	24,782
	61,543	—	61,543
Contribution	—	100,000	(100,000)
Balance as at end of year	₱595,336	₱196,600	₱398,736



	2023		
	Present value of defined benefit Obligation	Fair value of plan asset	Net defined benefit liabilities
	(In Thousands)		
Balance as at beginning of year	₱452,647	₱21,339	₱431,308
Net benefit costs in profit or loss			
Current service cost (Note 22)	33,542	—	33,542
Net interest (Note 24)	27,152	261	26,891
	60,694	261	60,433
Benefits paid	(7,100)	—	(7,100)
Contribution	—	75,000	(75,000)
Remeasurements loss in other comprehensive income	27,552	—	27,552
Balance as at end of year	₱533,793	₱96,600	₱437,193

The Group's plan assets comprise of cash equivalents with original maturities of three months or less from dates of placements and are subject to insignificant risk of changes in value. As of December 31, 2024 and 2023, these placements are with EW (see Note 21). As of December 31, 2024 and 2023, the Group's plan assets are carried at fair value.

In 2022 and 2021, certain employees of FLI were transferred to SPI. The related retirement benefits of these employees were also transferred with a corresponding payable to SPI. As of December 31, 2024 and 2023, the outstanding balance of the transferred retirement benefits amounted to ₱144.11 million (see Note 21).

The costs of defined benefit pension plan as well as the present value of the pension obligation are determined using actuarial valuations. The actuarial valuation involves making various assumptions.

The discount rate used in determining pension obligation for the defined benefit plan were 5.10% to 6.20% and 5.10% to 7.30% in 2024 and 2023, respectively. The future salary increases rate used is 6.00% in 2024 and 2023.

The sensitivity analysis that follows has been determined based on reasonably possible changes of the assumption occurring as of the end of the reporting period, assuming if all other assumptions were held constant. Management believes that as of the reporting date, it is only the decline in discount rate that could significantly affect the pension obligation.

Management believes that pension obligation will not be sensitive to the salary rate increases because it is expected to be at the same level throughout the remaining life of the obligation.

The sensitivity analyses below have been determined based on reasonably possible changes of the significant assumption on the DBO as of the end of the financial reporting period, assuming all other assumptions were held constant.

Assumption	Increase (Decrease)	Increase (decrease) on DBO	
		2024	2023
Salary rate	+1%	₱61,234	₱47,610
	-1%	(54,332)	(42,671)
Discount rate	+1%	(53,757)	(41,894)
	-1%	61,668	47,492



Shown below is the maturity analysis of the undiscounted benefit payments of the Group:

	2024	2023
	(In Thousands)	
Less than one year	₱97,060	₱32,253
More than one year and up to five years	177,794	160,957
More than five years and up to 10 years	350,342	307,553

The Group expects to contribute ₱100.0 million to its plan assets in the next 12 months.

The management does not perform a formal Asset-Liability Matching (ALM) Study. The overall investment policy and ALM strategy of the retirement plan is based on the client sustainability assessment, as provided by its trustee bank in compliance with the Bangko Sentral ng Pilipinas requirements.

27. Equity

The details of the Parent Company's common and preferred shares as of December 31, 2024 and 2023 follow:

	2024		2023	
	Common Shares	Preferred Shares	Common Shares	Preferred Shares
	(In Thousands, except par value figures)			
Authorized shares	33,000,000	8,000,000	33,000,000	8,000,000
Par value per share	1.00	0.01	1.00	0.01
Issued and subscribed shares	24,470,708	8,000,000	24,470,708	8,000,000
Treasury shares	2,086,949	—	220,949	—

In 2024 and 2023, there was no issuance of additional common shares.

The movement in the Parent Company's treasury shares follows:

	2024		2023	
	Shares	Amount	Shares	Amount
	(In Thousands)			
<i>Common</i>				
Balance at beginning of year	220,949	₱221,041	220,949	₱221,041
Additions	1,866,000	1,857,043	—	—
Balance at end of year	2,086,949	₱2,078,084	220,949	₱221,041

Preferred Shares

As stated in the Parent Company's Amended Articles of Incorporation, the preferred shares may be issued from time to time in one or more series as the BOD may determine, and authority is expressly granted to the BOD to establish and designate each particular series of preferred shares, to fix the number of shares to be included in each of such series, and to determine the dividend rate and the issue price and other terms and conditions for each such shares. Dividends shall be cumulative from and after the date of issue of the preferred shares. Preferred shares of each and any sub-series shall not be entitled to any participation or share in the retained earnings remaining after dividend payments shall have been made on the preferred shares. To the extent not set forth in the Articles of



Incorporation, the specific terms and restrictions of each series of preferred shares shall be specified in such resolutions as may be adopted by the BOD prior to the issuance of each of such series (the “Enabling Resolutions”), which resolutions shall thereupon be deemed a part of the Amended Articles of Incorporation.

In an Enabling Resolution approved and adopted by the BOD on October 6, 2006, it was clarified that the preferred shares are not convertible to common shares. In another Enabling Resolution approved and adopted by the BOD on January 5, 2007, the Board approved that preferred shares are entitled to cash dividend equal to one percent (1%) of the cash dividend declared and payable to common shares.

Thus, in a disclosure made by the Parent Company to the relevant government agency and regulatory body on January 18, 2007, it was clarified that the features of the issued and subscribed preferred shares, in addition to the features indicated in the Parent Company’s Amended Articles of Incorporation so long as these features are not inconsistent with the Enabling Resolutions, are as follows: (i) voting, cumulative, and non-redeemable, (ii) par value is one centavo (₱0.01), (iii) entitled to cash dividend equal to one percent (1%) of the cash dividend declared and payable to common shares, and (iv) not convertible to common shares.

Treasury Shares

On December 20, 2007, the Parent Company’s BOD approved the buy-back of some of the issued shares of stock of the Parent Company over a period of 12 months up to an aggregate amount of ₱1.50 billion, in view of the strong financial performance of the Parent Company and the very large discrepancy that existed between the current share price and the net asset value of the Parent Company.

The Parent Company had acquired 220.95 million shares at total cost of ₱221.04 million in 2008. There were no additional acquisitions in 2023 and 2022. The retained earnings is restricted from dividend distribution to the extent of the cost of treasury shares.

On December 11, 2024, the Parent Company settled its Capped Voluntary Tender Offer, which was filed on October 2, 2024. The Parent Company has reacquired a total of 1,866,000,000 common shares in exchange for 597,120,000 FILRT common shares. The shareholders were offered 0.32 FILRT shares for every 1.00 FLI shares tended. As a result of the voluntary tender offer, the Parent Company’s interest in FILRT decreased to 51.1% and the costs of treasury shares amounted to ₱1.86 billion (Note 32).

Dividend Declarations

On April 19, 2024, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.05 per share or a total of ₱1.22 billion for all common stockholders and ₱0.0005 per share or a total of ₱4.00 million for all preferred stockholders of record as of May 13, 2024 payable on June 5, 2024.

On April 24, 2023, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.03600 per share or a total of ₱872.99 million for all common stockholders of record as of May 12, 2023 payable on June 6, 2023.

On April 24, 2023, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.00036 per share or a total of ₱2.88 million for all preferred stockholders of record as of May 12, 2023 payable on June 6, 2023.



On April 22, 2022, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.04700 per share or a total of ₱1.14 billion for all common stockholders of record as of May 11, 2022 payable on June 02, 2022.

On April 22, 2022, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.0004 per share or a total of ₱3.2 million for all preferred stockholders of record as of May 11, 2022 payable on June 02, 2022.

As of December 31, 2024 and 2023, the Group's total dividends payable amounted to ₱21.41 million.

Retained Earnings

Retained earnings include undistributed earnings amounting to ₱1.31 billion as of December 31, 2024 and 2023, representing accumulated equity in net earnings of subsidiaries, which are not available for dividend declaration until declared as dividends by the subsidiaries.

Retained earnings are further restricted for the payment of dividends to the extent of the cost of the shares held in treasury and deferred tax asset recognized in profit or loss as of December 31, 2024 and 2023.

Retained earnings is being utilized to cover part of the annual expenditure requirements of the Parent Company for its expansion projects in the real estate and leasing segments. Furthermore, the retained earnings was also restricted for dividend declaration considering special circumstances as approved by the BOD.

On November 6, 2024, FLI's BOD approved appropriation of retained earnings amounting to ₱24.81 billion out of its unrestricted retained earnings as of December 31, 2023. The appropriations will cover the following:

(a) Appropriation for future capital expenditures:

Project	Phase/Building	Location	Segment	Amount (In Thousands)	Estimated Completion Date
Filinvest Innovation Park	Industrial	Laguna	Industrial	₱2,894,000	2029
Celestia	Phase 1	Rizal	Residential	2,042,500	2029
Panglao Oasis	Bldg. 2 - Elena	Taguig City	Residential	800,000	2029
Futura Rise Iloilo	Bldgs. A - E	Iloilo	Residential	223,300	2029
Cebu Ciudad	Hotel	Cebu	Hotel	1,969,300	2030
Cebu Ciudad	Office	Cebu	Office	1,523,600	2030
Belize Oasis	Bella	Quezon City	Residential	821,700	2030
Sydney Oasis	Bldg. A	Cavite	Residential	786,400	2030
Futura Shores	Bldg. A	Dumaguete	Residential	625,000	2030
Futura Monte	Bldg. B	Naga City	Residential	399,300	2030
				₱14,645,400	

(b) Appropriation under special circumstances:

	Project	Amount (In Thousands)
Under the required Reinvestment Plan	Various FLI Projects as to be contained in the Reinvestment Plan	₱1,866,000
Non-Distributable Capital Asset	Cebu SRP Lot, Filinvest Axis Towers 2, 3, and 4, Filinvest EDSA, IT School, Convergys and Filinvest Cebu Tower 2	8,302,300
		₱10,168,300



Capital Management

The Group monitors its capital and cash positions and manages its expenditures and disbursements. Furthermore, the Group may also, from time to time seek other sources of funding, which may include debt or equity issues depending on its financing needs and market conditions.

The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximize shareholder value.

No changes were made in capital management objectives, policies or processes for the years ended December 31, 2024, 2023 and 2022.

The Group monitors capital using interest-bearing debt-to-equity ratio, which is the long-term debt (loans payable, bonds payable) divided by total equity. The Group's policy is to keep the debt-to-equity ratio not to exceed 2:1. The following table shows how the Group computes for its interest-bearing debt-to-equity ratio:

	2024	2023
	(In Thousands)	
Loans payable (Note 19)	₱42,032,644	₱36,987,927
Bonds payable (Note 20)	35,856,588	37,468,512
Long-term debt	77,889,232	74,456,439
Total equity	93,335,512	94,271,869
Interest-bearing debt-to-equity ratio	0.83:1.00	0.79 : 1.00

The Group is subject to externally imposed capital requirements due to loan covenants (see Notes 19 and 20).

On August 12, 1993, SEC approved the registration of ₱2.0 billion common shares with issue price of ₱5.25 per share.

On December 15, 2006, SEC approved the registration of ₱3.7 billion common shares with issue price of ₱1.60 per share.

Below is the summary of the outstanding number of common shares and holders of security:

Year	Number of Shares Registered (In Thousands)	Number of Holders of Securities
January 1, 2023	24,249,759	5,625
Add/(deduct) movement	—	(19)
December 31, 2023	24,249,759	5,606
Add/(deduct) movement	(1,866,000)	(50)
December 31, 2024	22,383,759	5,556

**Exclusive of 2,086,949 and 220,949 treasury shares as of December 31, 2024 and 2023, respectively.*



28. Earnings Per Share

	2024	2023	2022
	(In Thousands, Except EPS Figures)		
a. Net income attributable to the equity holder of the parent*	₱4,164,482	₱3,762,508	₱2,886,525
b. Weighted average number of outstanding common shares (after considering treasury shares)	24,094,259	24,249,759	24,249,759
Basic/Diluted EPS (a/b)	₱0.17	₱0.16	₱0.12

*After deducting the dividends for preferred shareholders (see Note 27) - 2024: ₱4.00 million, 2023: ₱2.90 million, 2022: ₱3.20 million.

There were no potential dilutive shares in 2024, 2023 and 2022.

29. Income Tax

Provision for income tax consists of:

	2024	2023	2022
	(In Thousands)		
Current	₱72,663	₱578,496	₱442,539
Deferred	931,972	66,843	284,540
	₱1,004,635	₱645,339	₱727,079

The components of the Group's deferred income tax assets follow:

	2024	2023
	(In Thousands)	
Advance rentals	₱49,359	₱1,089
Accrued retirement benefits	45,032	45,753
NOLCO	1,641	1,641
	₱96,032	₱48,483

The components of the Group's net deferred income tax liabilities follow:

	2024	2023
	(In Thousands)	
Deferred income tax liabilities on:		
Capitalized borrowing costs (Note 2)	₱3,120,527	₱4,525,162
Excess of real estate revenue based on financial accounting policy over real estate revenue based on tax rules	2,739,695	1,893,872
Right-of-use-assets	933,007	1,056,544
	6,793,229	7,475,578

(Forward)



	2024	2023
	(In Thousands)	
Deferred income tax assets on:		
Lease liabilities	(P1,094,074)	(P1,171,652)
NOLCO	(523,985)	(323,611)
MCIT	(152,573)	(149,457)
Accrued retirement benefits charged to profit or loss	(114,863)	(127,345)
Remeasurement losses on retirement plan	(25,287)	(25,287)
Advance rentals	(23,923)	(12,666)
Allowance for expected credit losses	(10,243)	(10,243)
Others	(31,277)	(6,164)
	(1,976,225)	(1,826,425)
	P4,817,004	P5,649,153

Provision for deferred income tax charged directly to other comprehensive income in 2023 and 2022 relating to remeasurement gain (loss) on defined benefit obligation amounted to (P6.89 million) and P5.48 million, respectively (nil in 2024).

The Group did not recognize deferred income tax assets on NOLCO of certain subsidiaries amounting to P877.15 million and P679.70 million as of December 31, 2024 and 2023, respectively, since management believes that their carryforward benefits may not be realized before they expire.

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of the Bayanihan 2 Act which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss. NOLCO incurred before taxable year 2020 can be claimed as deduction from the regular taxable income for the next three (3) years immediately following the year of such loss.

As of December 31, 2024, the MCIT recognized amounting to P152.57 million can be claimed as deduction from income tax due until December 31, 2027.

The carryforward benefits of the NOLCO, which can be claimed by the Group as credits against the RCIT, are as follows (amounts in thousands):

Year Incurred	Amount	Expiry Date
2024	P1,021,900	December 31, 2027
2023	451,559	December 31, 2026
2022	209,018	December 31, 2025
2021	301,509	December 31, 2026
2020	989,104	December 31, 2025
	P2,973,090	

The following are the movements in NOLCO:

	2024	2023
	(In Thousands)	
Balance as at beginning of year	P1,978,515	P1,614,042
Addition	1,021,900	451,559
Applied/expired	(27,325)	(87,086)
Balance as at end of year	P2,973,090	P1,978,515



The reconciliation of the provision for income tax at statutory tax rate to the actual provision for income tax follows:

	2024	2023	2022
		(In Thousands)	
Income tax at statutory tax rate	₱1,410,093	₱1,235,346	₱1,062,054
Adjustments for:			
Nondeductible interest expense	7,219	5,024	5,777
Deductible expense - Optional Standard Deduction	(228,851)	(168,833)	(38,537)
Equity in net earnings of associates	(89,579)	(60,502)	(19,739)
Income covered by PEZA (Note 34)	(44,674)	(287,678)	(136,828)
Income subjected to final tax	(19,739)	(16,054)	(16,082)
Interest on HGC-enrolled contracts receivables	(19,274)	(8,986)	(673)
Change in unrecognized deferred tax	(2,679)	21,771	(66,342)
Tax-exempt net income on socialized housing units	—	9,344	(10,761)
Income tax holiday incentive on sales of BOI-registered projects (Note 34)	—	(84,093)	(51,663)
Others - net	(7,881)	—	(127)
	₱1,004,635	₱645,339	₱727,079

30. Fair Value Measurement

The following table sets forth the fair value hierarchy of the Group's assets and liabilities measured at fair value and those for which fair values are required to be disclosed:

	2024				
	Carrying Value	Fair Value			
		Total	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
			(In Thousands)		
Assets measured at fair value					
Financial assets at FVOCI (Note 17)					
Quoted	₱6,458	₱6,458	₱6,458	₱—	₱—
Unquoted	9,077	9,077	—	—	9,077
	₱15,535	₱15,535	₱6,458	₱—	₱9,077



2024					
	Carrying Value	Fair Value			
		Total	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
Liabilities for which fair values are disclosed					
Financial liabilities at amortized cost					
Accounts payable and accrued expenses (Note 18)					
Accounts payable	₱9,949,858	₱9,250,532	₱—	₱—	₱9,250,532
Retention fees payable	3,153,659	2,983,339	—	—	2,983,339
Deposits for registration	1,971,433	1,836,831	—	—	1,836,831
	15,074,950	14,070,702	—	—	14,070,702
Lease liabilities (Note 15)	6,930,338	9,826,141	—	—	9,826,141
Loans payable (Note 19)	42,032,644	40,328,382	—	—	40,328,382
Bonds payable (Note 20)	35,856,588	34,125,491	—	—	34,125,491
	₱99,894,520	₱98,350,716	₱—	₱—	₱98,350,716
2023					
	Carrying Value	Fair Value			
		Total	Quoted Prices in active market (Level 1)	Significant observable inputs (Level 2)	Significant unobservable inputs (Level 3)
(In Thousands)					
Assets measured at fair value					
Financial assets at FVOCI (Note 17)					
Quoted	₱6,458	₱6,458	₱6,458	₱—	₱—
Unquoted	9,077	9,077	—	—	9,077
	₱15,535	₱15,535	₱6,458	₱—	₱9,077
Liabilities for which fair values are disclosed					
Financial liabilities at amortized cost					
Accounts payable and accrued expenses (Note 18)					
Accounts payable	₱10,597,322	₱9,942,407	₱—	₱—	₱9,942,407
Retention fees payable	2,581,979	2,422,413	—	—	2,422,413
Deposits for registration	1,791,324	1,680,620	—	—	1,680,620
	14,970,625	14,045,440	—	—	14,045,440
Lease liabilities (Note 15)	6,719,861	9,527,716	—	—	9,527,716
Loans payable (Note 19)	36,987,927	37,173,908	—	—	37,173,908
Bonds payable (Note 20)	37,468,512	35,426,365	—	—	35,426,365
	₱96,146,925	₱96,173,429	₱—	₱—	₱96,173,429

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

- *Cash and cash equivalents, due from and to related parties, other receivables and other current assets:* Due to the short-term nature of these accounts, their fair values approximate their carrying amounts.
- *Contract receivables:* Estimated fair value of contract receivables is based on the discounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date. Interest rates used was 11.5% - 19.0% in 2024 and 2023.

Due to the short-term nature of receivables from government and financial institutions, carrying amounts approximate fair values.

- *Financial assets at FVOCI:* Fair values were determined using quoted market prices at reporting date. Fair value of unquoted equity securities are based on the latest selling price available.



- *Accounts payable and accrued expenses:* On accounts due within one year, the fair value of accounts payable and accrued expenses approximates the carrying amounts. On accounts due for more than a year, estimated fair value is based on the discounted value of future cash flows using the prevailing interest rates on loans and similar types of payables as of the reporting date. Interest rate used was 6.83% and 6.18% in 2024 and 2023, respectively.
- *Long-term debt (lease liabilities, loans payable and bonds payable):* Estimated fair value on debts with fixed interest and not subjected to quarterly repricing is based on the discounted value of future cash flows using the applicable interest rates for similar types of loans as of reporting date.

Long term debt subjected to quarterly repricing is not discounted since it approximates fair value. The discount rates used range from 4.18% to 6.98% and 4.46% to 7.20% as of December 31, 2024 and 2023, respectively.

During the years ended December 31, 2024, 2023 and 2022, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

31. Financial Risk Management Objectives and Policies

The Group's principal financial instruments are composed of cash and cash equivalents, contracts and other receivables, due from related parties, financial assets at FVOCI, accounts payable and accrued expenses, due to related parties and long-term debt (loans payable and bonds payable). The main purpose of these financial instruments is to raise financing for the Group's operations.

The main objectives of the Group's financial risk management are as follows:

- To identify and monitor such risks on an ongoing basis;
- To minimize and mitigate such risks; and
- To provide a degree of certainty about costs.

The Group's finance and treasury functions operate as a centralized service for managing financial risks and activities, as well as providing optimum investment yield and cost-efficient funding for the Group. The Group's BOD reviews and approves the policies for managing each of these risks. The policies are not intended to eliminate risk but to manage it in such a way that opportunities to create value for the stakeholders are achieved. The Group's risk management takes place in the context of the normal business processes such as strategic planning, business planning, operational and support processes.

The main risks arising from the Group's financial instruments are liquidity risk, credit risk and interest rate risk.

Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group seeks to manage its liquidity profile to be able to finance capital expenditures and service maturing debts. In order to cover its financing requirements, the Group uses both internally generated funds and available long-term and short-term credit facilities.



As of December 31, 2024 and 2023, the Group has undrawn short-term credit lines amounting ₱28.17 billion and ₱25.78 billion, respectively, and undrawn long-term credit facilities amounting ₱35.34 billion and ₱31.18 billion, respectively.

As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities, in case any requirements arise. Fund raising activities may include bank loans and capital market issues.

The tables below summarize the maturity profile of the Group's financial liabilities as of December 31, 2024 and 2023 based on contractual undiscounted payments.

2024							
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
(In Thousands)							
Financial liabilities at amortized cost							
Accounts payable and accrued expenses							
Accounts payable	₱1,805,567	₱678,331	₱371,211	₱3,529,903	₱3,564,846	₱–	₱9,949,858
Retention fees payable	1,022,650	1,022,064	219,841	12,243	558,867	317,994	3,153,659
Deposits for registration	–	581	239,145	878,104	345,867	507,736	1,971,433
Accrued expenses	1,964,763	–	–	–	–	–	1,964,763
Accrued interest on bonds and loans	535,049	–	–	–	–	–	535,049
	5,328,029	1,700,976	830,197	4,420,250	4,469,580	825,730	17,574,762
Other payables	1,111,510	–	–	114,097	–	–	1,225,607
Due to related parties	244,141	–	–	–	–	–	244,141
Loans payable	–	2,292,934	6,878,801	16,115,255	15,444,491	12,397,500	53,128,981
Bonds payable	–	4,190,002	12,570,006	23,156,497	–	–	39,916,505
Lease liabilities	–	119,584	358,753	1,017,251	540,138	27,210,871	29,246,597
	₱6,683,680	₱8,303,496	₱20,637,757	₱44,823,350	₱20,454,209	₱40,434,101	₱141,336,593

2023							
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
(In Thousands)							
Financial liabilities at amortized cost							
Accounts payable and accrued expenses							
Accounts payable	₱3,528,570	₱1,325,645	₱725,449	₱2,496,472	₱2,521,186	₱–	₱10,597,322
Retention fees payable	940,410	939,871	202,161	6,879	313,996	178,662	2,581,979
Deposits for registration	–	528	217,297	797,881	314,269	461,349	1,791,324
Accrued expenses	1,712,947	–	–	–	–	–	1,712,947
Accrued interest on bonds and loans	674,345	–	–	–	–	–	674,345
	6,856,272	2,266,044	1,144,907	3,301,232	3,149,451	640,011	17,357,917
Other payables	–	–	–	202,281	–	–	202,281
Due to related parties	488,486	–	–	–	–	–	488,486
Loans payable	–	4,615,811	13,847,432	18,976,679	2,282,655	–	39,722,577
Bonds payable	–	977,953	2,933,860	18,524,610	20,094,336	–	42,530,759
Lease liabilities	–	114,146	342,436	975,296	520,292	27,756,008	29,708,178
	₱7,344,758	₱7,973,954	₱18,268,635	₱41,980,098	₱26,046,734	₱28,396,019	₱130,010,198

The tables below summarize the maturity profile of the Group's financial assets and contract assets held to manage liquidity as of December 31:

2024							
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
(In Thousands)							
Financial assets at amortized cost							
Cash and cash equivalents							
Cash on hand and in banks	₱3,011,408	₱–	₱–	₱–	₱–	₱–	₱3,011,408
Cash equivalents	–	972,783	–	–	–	–	972,783

(Forward)



	2024						
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
(In Thousands)							
Contracts receivable							
Contracts receivable	₱1,932,985	₱-	₱-	₱-	₱-	₱-	₱1,932,985
Receivables from government and financial institutions	245,297	-	-	-	-	-	245,297
Other receivables							
Receivable from tenants - net	2,302,942	-	-	-	-	-	2,302,942
Due from related parties	434,428	-	-	-	-	-	434,428
Investment in bonds	-	-	-	-	150,000	-	150,000
Receivable from homeowners' associations - net	174,596	-	-	-	-	-	174,596
Others	292,037	-	-	-	-	-	292,037
Short-term deposits	-	-	179,750	-	-	-	179,750
	8,393,693	972,783	179,750	-	150,000	-	9,696,226
Financial assets at FVOCI							
Investments in shares of stocks:							
Quoted	-	-	-	6,458	-	-	6,458
Unquoted	-	-	-	9,077	-	-	9,077
	-	-	-	15,535	-	-	15,535
Total financial assets	8,393,693	972,783	179,750	15,535	150,000	-	9,711,761
Contract assets	-	1,446,495	4,339,484	1,846,887	463,962	342,265	8,439,093
	₱8,393,693	₱2,419,278	₱4,519,234	₱1,862,422	₱613,962	₱342,265	₱18,150,854

	2023						
	On demand	Less than 3 months	3 months to 1 year	> 1 year but < 3 years	3 years to 5 years	Over 5 years	Total
(In Thousands)							
Financial assets at amortized cost							
Cash and cash equivalents							
Cash on hand and in banks	₱4,604,987	₱-	₱-	₱-	₱-	₱-	₱4,604,987
Cash equivalents	-	1,127,021	-	-	-	-	1,127,021
Contracts receivable							
Contracts receivable	1,582,486	-	-	-	-	-	1,582,486
Receivables from government and financial institutions	255,343	-	-	-	-	-	255,343
Other receivables							
Receivable from tenants - net	2,038,850	-	-	-	-	-	2,038,850
Due from related parties	695,344	-	-	-	-	-	695,344
Investment in bonds	-	-	-	-	150,000	-	150,000
Receivable from homeowners' associations - net	227,671	-	-	-	-	-	227,671
Others	139,383	-	-	-	-	-	139,383
Short-term deposits	-	-	96,332	-	-	-	96,332
	9,544,064	1,127,021	96,332	-	150,000	-	10,917,417
Financial assets at FVOCI							
Investments in shares of stocks:							
Quoted	-	6,458	-	-	-	-	6,458
Unquoted	-	9,077	-	-	-	-	9,077
	-	15,535	-	-	-	-	15,535
Total financial assets	9,544,065	1,142,556	367,514	-	150,000	-	11,204,135
Contract assets	-	1,186,457	3,559,370	991,671	440,571	3,605,700	9,783,769
	₱9,544,065	₱2,329,013	₱3,926,884	₱991,671	₱590,571	₱3,605,700	₱20,987,904



Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily for its contract receivables and other receivables.

It is the Group's policy that buyers who wish to avail the in-house financing scheme be subjected to credit verification procedures. Receivable balances are being monitored on a regular basis and subjected to appropriate actions to manage credit risk. Moreover, as discussed in Note 8, the Group has a mortgage insurance contract with Home Guaranty Corporation for a retail guaranty line.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. Title of the real estate property is only transferred to the customer if the consideration had been fully paid. In case of default, after enforcement activities, the Group has the right to cancel the sale and enter into another contract to sell to another customer after certain proceedings (e.g. grace period, referral to legal, cancellation process, reimbursement of previous payments) had been completed. Given this, based on the experience of the Group, the maximum exposure to credit risk at the reporting date is nil considering that fair value less cost to repossess of the real estate projects is higher than the exposure at default. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based groupings of various customer segments with similar loss patterns (i.e., by market segment and collateral type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's contract receivables and contract assets using a provision matrix:

2024						
	Total	Socialized	Low Affordable	Affordable	Middle Income	High-end
	(In Thousands)					
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	₱10,617,375	₱998,096	₱927,492	₱3,333,568	₱4,364,922	₱993,297
2023						
	Total	Socialized	Low Affordable	Affordable	Middle Income	High-end
	(In Thousands)					
Expected credit loss rate	0%	0%	0%	0%	0%	0%
Estimated total gross carrying amount at default	₱11,621,598	₱520,811	₱1,695,400	₱3,894,430	₱4,520,571	₱990,386

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and financial assets at FVOCI, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.



Based on the Group's experience, the said assets are highly collectible or collectible on demand. The Group holds as collaterals the corresponding properties which the third parties had bought on credit. In few cases of buyer defaults, the Group can repossess the collateralized properties and resell them at the prevailing market price.

The following tables show the credit quality by class of asset as of December 31, 2024 and 2023. The Group's high-grade receivables pertain to receivables from related parties and third parties which, based on experience, are highly collectible or collectible on demand, and of which exposure to bad debt is not significant.

Receivables assessed to be of standard grade are those which had passed a certain set of credit criteria, and of which the Group has not noted any extraordinary exposure which calls for a substandard grade classification.

As at December 31, 2024 and 2023, the analysis of contracts receivable that were past due is as follows:

	Past due					Total
	Less than 30 days	30 to 60 days	61 days to 90 days	91 days to 120 days	Over 120 days	
	(In Thousands)					
2024	₱1,096,522	₱277,554	₱211,176	₱99,212	₱248,521	₱1,932,985
2023	384,811	171,577	250,029	106,180	669,889	1,582,486

No individually impaired and expected credit loss have been recognized for contracts receivables.

There is no concentration risk on the Group's financial assets as of December 31, 2024 and 2023.

Interest Rate Risk

The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's loans from various financial institutions. To manage interest rate risk, the Group renegotiates the interest rates for certain long term debts to convert them from fixed-rate debt to floating-rate debt as the Group believes that the current interest rate environment makes it more favorable to carry floating-rate debt.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings). There is no other impact on the Group's other comprehensive income other than those already affecting the profit and loss.

	Increase (decrease) in basis points	Effect on income before income tax (In Thousands)
2024	+200	₱200,968
	-200	(200,968)
2023	+200	173,361
	-200	(173,361)

The assumed change in rate is based on the currently observable market environment. Effect on the Group's income before tax is computed on the carrying amount of the Group's floating rate loans payable as of December 31, 2024 and 2023.



The following tables set out the carrying amount, by maturity, of the Group's loans payable that are exposed to interest rate risk (amounts in thousands):

Variable interest rate	91-day Treasury bill plus 1% to 2% margin					Total
	Below 1 Year	1-2 Years	>2 years but <3 years	3 years to 4 years	Over 4 years	
As of December 31, 2024	₱200,000	₱-	₱1,160,000	₱50,100	₱8,875,000	₱10,285,100
As of December 31, 2023	4,731,667	3,000,000	–	1,160,000	50,100	8,941,767

32. Subsidiary with Material Noncontrolling Interest

The noncontrolling interest of FLI in its partially-owned subsidiaries as of December 31 follows:

	2024	2023
FILRT	48.9%	36.7%
FBCI	45.0%	45.0%
FAC	40.0%	40.0%
FSM Cinemas	40.0%	40.0%
PDDC	40.0%	40.0%
NSI	25.0%	25.0%
TSNC	2.0%	2.0%

The increase in the noncontrolling interest in FILRT in 2024 is mainly due to the Parent Company's voluntary tender offer where the Parent Company offered 0.32 FILRT shares for every 1.00 FLI shares (see Note 27).

Total dividends declared and paid to noncontrolling interest follows:

	Total Dividends Declared	Share of Noncontrolling Interest
	(In Thousands)	
FILRT		
2024	₱1,237,873	₱454,671
2023	1,389,549	510,381
2022	1,976,682	726,035
FAC		
2024	₱350,000	₱140,000
2023	375,000	150,000
2022	60,000	24,000
PDDC		
2024	₱100,000	₱40,000

The summarized financial information of FILRT as of and for the year December 31, 2024 and 2023 is provided below. This information is based on amounts consolidated to the Group under the same accounting policy (i.e., cost accounting for investment properties and intangible assets) before intercompany eliminations.



Summarized Statement of Financial Position:

	2024	2023
	(In Thousands)	
Current assets	₱1,660,729	₱2,345,208
Noncurrent assets	10,886,899	11,111,540
Total assets	12,547,628	13,456,748
Current liabilities	1,568,972	1,836,368
Noncurrent liabilities	6,514,655	6,772,555
Total liabilities	8,083,627	8,608,923
Equity	₱4,464,001	₱4,847,825

Statement of Comprehensive Income

	2024	2023
	(In Thousands)	
Revenues	₱2,843,627	₱3,040,837
Cost and other expenses	1,605,208	1,693,406
Other charges	384,371	422,253
Income before income tax	854,048	925,178
Net income for the year	854,048	925,178
Net income attributable to noncontrolling interest	₱319,195	₱339,818

Statement of Cash Flows

	2024	2023
	(In Thousands)	
Cash flows from (used in)		
Operating activities	₱1,145,565	₱1,236,828
Investing activities	(112,913)	185,992
Financing activities	(1,689,835)	(1,823,736)
Net increase in cash and cash equivalents	(₱657,184)	(₱400,916)

The entire proceeds from FILRT's listing and any subsequent sale thereafter, shall be used in accordance with its reinvestment plan. As a REIT entity, FILRT is subject to externally imposed capital requirements from its debt covenants and based on the requirements of the Aggregate Leverage Limit under the REIT Implementing Rules and Regulations. Per Section 8 of the REIT Implementing Rules and Regulations issued by the SEC, the total borrowings and deferred payments of a REIT should not exceed thirty-five percent (35%) of its Deposited Property; provided, however, that the total borrowings and deferred payments of a REIT that has a publicly disclosed investment grade credit rating by a duly accredited or internationally recognized rating agency may exceed thirty-five percent (35%) but not more than seventy percent (70%) of its Deposited Property. Provided, further, that in no case shall a Fund Manager, borrow for the REIT from any of the funds under its management.



33. Contingencies and Commitments

Contingencies

The Group is involved in various legal actions, claims, assessments and other contingencies incidental to its ordinary course of business. Management believes that any amount the Group may have to pay in connection with any of these matters would not have a material adverse effect on the consolidated financial position or operating results. The other information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed as they may prejudice the outcome of the ongoing proceedings.

BTO Agreement with Cebu Province

In connection with the BTO Agreement with the Cebu Province, the Group is committed to develop and construct a BPO Complex on the properties owned by Cebu Province located at Salinas, Lahug, Cebu City and transfer the ownership of the BPO Complex to the Cebu Province upon completion in exchange for the right to operate and manage the BPO Complex for the entire term of the agreement and its renewal (see Note 16).

Capital Commitments and Obligations

The Group has contractual commitments and obligations for the construction and development costs to be incurred for investment properties and property and equipment items aggregating ₱6.30 billion and ₱6.39 billion as of December 31, 2024 and 2023, respectively. These will be recognized as liabilities in the Group's consolidated financial statements when the related services are received.

Assignment of Development Rights under a BTO Agreement

On June 26, 2015, the Parent Company and a third party entered into an agreement whereby the latter agreed to assign its project development rights and benefits under its BTO Agreement with Cebu Province to the Parent Company. In consideration of this assignment, the Parent Company paid upfront fee amounting to ₱50.0 million and ₱150.0 million in 2016 and 2015, respectively. On January 30, 2024, the Parent Company and the Province of Cebu entered into an Amendment Agreement to the BTO Agreement, recognizing the full assignment not only of the rights and benefits but also the obligations under the BTO Agreement in favor of the Parent Company as the successor proponent to the contemplated project development. As of December 31, 2024, project construction has not started due to pending approval from Cebu Province on the cleared site. Thus, the upfront fee is recorded as part of 'Other noncurrent assets' in the consolidated statement of financial position (see Note 17).

Development Agreement with Bases Conversion Development Authority (BCDA)

In 2015, the Parent Company won the contract to develop a 288-hectare area in Clark Green City in Tarlac and paid 10% of the bid premium as bid security amounted to ₱16.0 million. On January 8, 2016, the Joint Venture Agreement with BCDA was signed and pursuant to the terms of the development of the project, the Parent Company paid the ₱160.0 million bid premium representing the right to own 55% of the equity on the joint venture company to be formed with BCDA.

On February 11, 2016, the Parent Company incorporated FCGC Corporation, the entity that will handle the development of the New Clark City (NCC) Project, formerly Clark Green City Project. The bid premium is presented as part of investment properties in the consolidated financial statements (see Note 13). On March 16, 2016, FCGC and BCDA incorporated Filinvest BCDA Clark Inc. (FBCI).



FCGC subscribed 282,880,000 shares at par value amounting to ₱282,880,000. On the other hand, BCDA subscribed 231,000,000 shares amounting ₱231,000,000 and paid its subscription thru the assignment of a 50-year Development and Usufructuary Rights (DUR) over the parcel of land where the NCC project will be developed. FBCI is 55%-owned by FCGCC and 45%-owned by BCDA.

34. Registration with PEZA

On February 13, 2002, the Parent Company, FAC and FILRT were registered with Philippine Economic Zone Authority (PEZA) pursuant to the provisions of RA No. 7916 as the Ecozone Developer/Operator to lease, sell, assign, mortgage, transfer or otherwise encumber the area designated as a Special Economic Zone (Ecozone). The same shall be known as Filinvest Technology Park-Calamba.

Under the registration, the Parent Company shall enjoy 5% preferential tax privilege on income generated from the Ecozone in lieu of the regular income tax rate.

On June 11, 2001, FAC was registered with PEZA as the developer/operator of PBCom Tower not entitled to any incentives. However, IT enterprises which shall locate in PBCom Tower shall be entitled to tax incentives pursuant to RA No. 7916.

On June 6, 2000, FILRT was registered with PEZA as an ECOZONE Facilities Enterprise. As a registered enterprise, it is also entitled to certain tax and non-tax benefits such as exemption from payment of national and local taxes and instead a special tax rate of five percent (5%) of gross income.

On December 15, 2015, PDDC was registered with PEZA as an ECOZONE Facilities Enterprise. As a registered enterprise, PDDC is entitled to certain tax and non-tax benefits such as exemption from payment of national and local taxes and instead a special tax rate of five percent (5%) of gross income.

On July 3, 2019, FBCI was registered with PEZA as an ECOZONE developer/operator enterprise of New Clark City Phase I. As a registered enterprise, FBCI is entitled to certain tax and non-tax benefits such as exemption from payment of national and local taxes and instead a special tax rate of five percent (5%) of gross income.

The Group is also entitled to zero percent (0%) value-added tax for sales made to ECOZONE enterprises.

35. Notes to Statements of Cash Flows

The Group's noncash activities are as follows:

- a) Land and land developments previously presented under real estate inventories were reclassified to investment properties amounting to ₱1,589.80 million in 2024 (nil in 2023; see Notes 10 and 13).
- b) Investment properties were reclassified to real estate inventories amounting to ₱42.95 million in 2024 (nil in 2023).
- c) Investment properties and property and equipment which remain unpaid amounted to ₱3,082.14 million and ₱93.01 million as of December 31, 2024, respectively; and ₱2,943.85 million and ₱375.57 million as of December 31, 2023, respectively (see Notes 13 and 14).



- d) The Group has remaining unpaid cash dividend amounting to ₱21.41 million out of the dividends declared as of December 31, 2024 and 2023 (see Note 27).
- e) Total accretion of interest on loans and bonds payable amounted to ₱102.79 million and ₱88.08 million, respectively, in 2024; and ₱133.67 million and ₱59.67 million, respectively, in 2023 (see Notes 19 and 20).
- f) In 2024, the Group paid the outstanding balance amounting ₱346.41 million, pertaining to the acquisition of parcels of land (see Note 21). This was reported under "Due to related parties" line item in the statement of financial position as of December 31, 2023.

Changes in liabilities arising from financing activities for the years ended December 31 follows:

2024				
	January 1, 2024	Cash flows	Noncash movement	December 31, 2024
	(In Thousands)			
Loans payable	₱36,987,927	₱5,184,288	(₱139,571)	₱42,032,644
Bonds payable	37,468,512	(1,699,995)	88,071	35,856,588
Accrued interest	674,345	(5,300,228)	5,160,932	535,049
Dividends payable	21,413	(1,851,159)	1,851,159	21,413
Lease liabilities	6,719,861	(408,907)	619,384	6,930,338
Due to related parties	488,486	102,069	(346,414)	244,141
	₱82,360,544	(₱3,973,932)	₱7,233,561	₱85,620,173

2023				
	January 1, 2023	Cash flows	Noncash Movement	December 31, 2023
	(In Thousands)			
Loans payable	₱32,849,484	₱4,131,388	₱7,055	₱36,987,927
Bonds payable	41,132,786	(3,604,600)	(59,674)	37,468,512
Accrued interest	830,908	(4,118,521)	3,961,958	674,345
Dividends payable	21,413	(1,536,252)	1,536,252	21,413
Lease liabilities	6,508,490	(372,444)	583,815	6,719,861
Due to related parties	754,264	(265,778)	—	488,486
	₱82,097,345	(₱5,766,207)	₱6,029,406	₱82,360,544

2022				
	January 1, 2022	Cash flows	Noncash movement	December 31, 2022
	(In Thousands)			
Loans payable	₱32,182,744	₱654,465	₱12,275	₱32,849,484
Bonds payable	36,288,922	4,900,000	(56,136)	41,132,786
Accrued interest	704,994	(3,851,408)	3,977,322	830,908
Dividends payable	19,000	(1,890,560)	1,892,973	21,413
Lease liabilities	6,348,017	(360,103)	520,576	6,508,490
Due to related parties	204,318	549,946	—	754,264
	₱75,747,995	₱2,340	₱6,347,010	₱82,097,345

'Noncash movement' column includes amortization of debt issuance costs and interest expense for loans payable and bonds payable, dividend declaration and share in the net income of noncontrolling interest.



36. Subsequent Events

Property-for-Share Swap Transaction with FILRT

On January 24, 2025, FLI's BOD approved the sale of its real property to FILRT under a tax-free property-for-share swap transaction. FLI will transfer its ownership over Festival Mall-Main Mall in favor of FILRT, in exchange for 1,626,003,316 primary common shares of FILRT at an issue price of ₱3.85 per share, with a total value of ₱6.26 billion. The said transaction will allow FLI to increase its equity in FILRT from 51.06% to 63.27%. Upon the Securities and Exchange Commission's approval of the Transaction, FLI and FILRT shall execute a lease agreement for the Property.

Issuance of Certificate of Permit to Offer Securities

On February 18, 2025, FLI received from SEC the Certificate of Permit to Offer Securities for ₱9.0 billion with an over-subscription option of up to ₱3.0 billion worth of peso denominated fixed rate bonds for a maximum aggregate total of ₱12.0, consisting of 5-year bonds due 2030 with interest rate of 6.2916%, 7-year bonds due 2032 with interest rate of 6.6550%, and 10-year bonds due 2035 with interest rate of 6.8312% per annum. This latest bond issuance will be the second tranche out of its ₱35.0 bonds registered in 2023 under the shelf-registered program of the SEC.

Acquisition of Fora Services, Inc. (FOSI)

On September 16, 2024, FLI's Executive Committee, in the exercise of its delegated authority, approved the acquisition of 100% of the outstanding shares in FOSI from Filinvest Hospitality Corporation (FHC), a related party, for an aggregate purchase price of ₱399,800. As of February 26, 2025, the said transaction is yet to be finalized.



INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES

The Stockholders and the Board of Directors
Filinvest Land, Inc.
Filinvest Building, 79 EDSA,
Brgy. Highway Hills, Mandaluyong City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Filinvest Land, Inc. (the Parent Company) and its subsidiaries (collectively referred to as "the Group") as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated February 26, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-137-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10465379, January 2, 2025, Makati City

February 26, 2025



FILINVEST LAND, INC. AND SUBSIDIARIES

INDEX TO THE SUPPLEMENTARY SCHEDULES

Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration

Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered

Annex C: Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock

FILINVEST LAND, INC.**SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS****AVAILABLE FOR DIVIDEND DECLARATION****DECEMBER 31, 2024**

(Amounts in Thousands of Pesos)

Unappropriated Retained Earnings, beginning of reporting period		₱51,893,299
Add: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of retained earnings appropriation	5,000,000	
Effect of restatements	—	
Others	—	5,000,000
Less: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	1,216,488	
Retained earnings appropriated during the reporting period	24,813,773	
Effect of restatements	3,720,934	
Others	221,041	(29,972,236)
Unappropriated Retained Earnings, as adjusted		26,921,063
Add/Less: Net income (loss) for the current year		5,416,725
Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	—	
Unrealized foreign exchange gain, except those attributable to cash and equivalents	—	
Unrealized fair value adjustment (marked-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Unrealized fair value gain of investment property	—	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS	—	
Sub-total		—
Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to Cash and cash equivalents	—	
Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss FVTPL)	—	
Realized fair value gain of Investment Property	—	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	—	
Sub-total		—

(Forward)

Add: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)

Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	₱—	
Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	—	
Reversal of previously recorded fair value gain of Investment Property	—	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	—	
Sub-total		—

Adjusted Net Income/Loss		5,416,725
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Add: Non-actual losses recognized in profit or loss during the reporting period (net of tax)

Depreciation on revaluation increment (after tax)	—	
Sub-total		—

Add/Less: Adjustments related to relief granted by the SEC and BSP

Amortization of the effect of reporting relief	—	
Total amount of reporting relief granted during the year	—	
Others	—	
Sub-total		—

Add/Less: Other items that should be excluded from the determination of the amount of available for dividends distribution

Net movement of treasury shares (except for reacquisition of redeemable shares)	(1,857,043)	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	(393,226)	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	(69,001)	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	—	
Others	—	
Sub-total	(2,319,270)	(2,319,270)

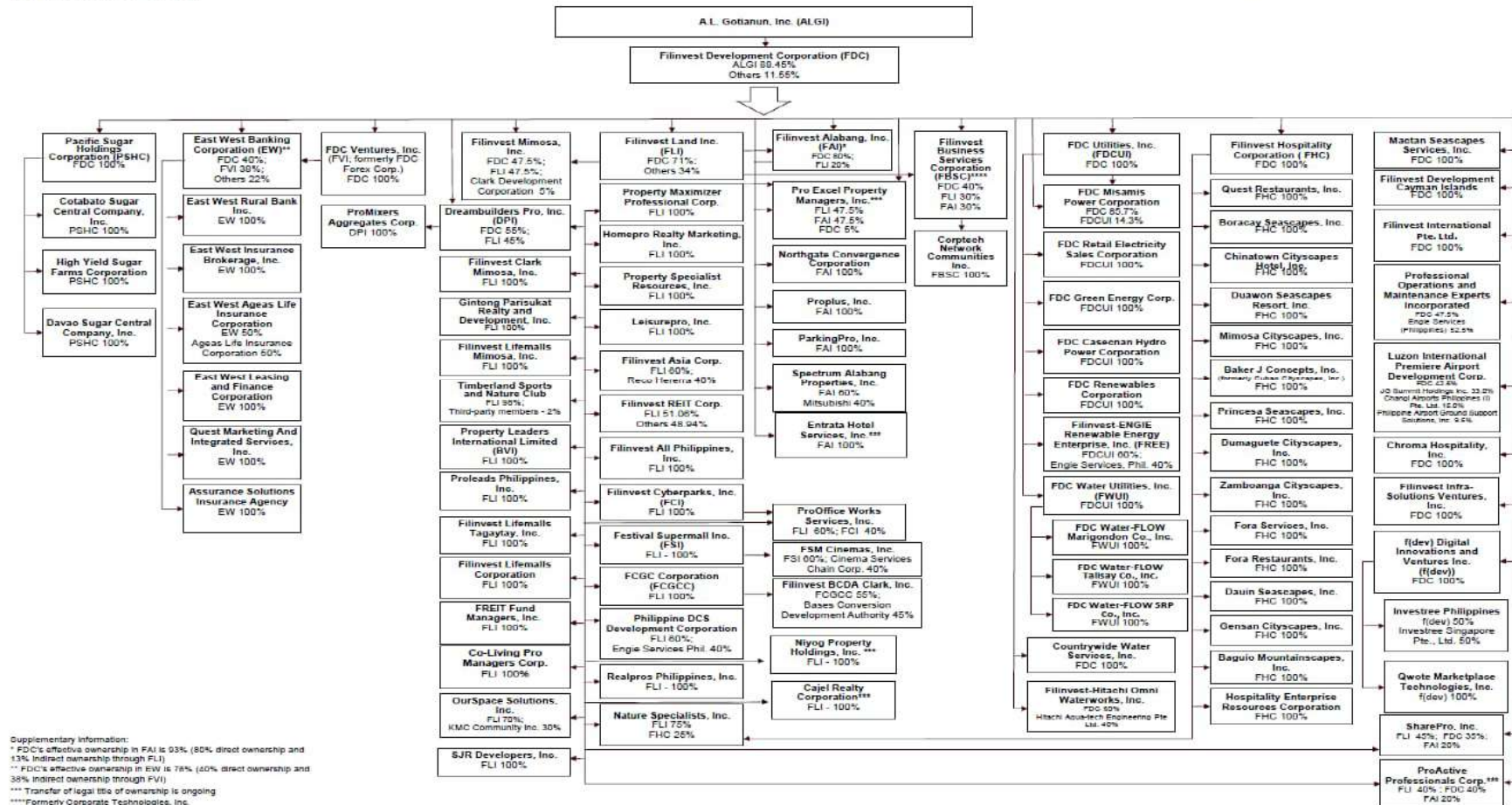
Total Retained Earnings, end of reporting period available for dividend		₱30,018,518
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FILINVEST LAND, INC. AND SUBSIDIARIES

MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY AND CO-SUBSIDIARIES DECEMBER 31, 2024

A.L. GOTIANUN, INC.
MAP SHOWING THE RELATIONSHIP BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT, CO-SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES
(As of December 31, 2024)



SCHEDULE A

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF FINANCIAL ASSETS

DECEMBER 31, 2024

Below is the detailed schedule of the Group's financial assets in equity securities as of December 31, 2024:

Name of Issuing entity and association of each issue	Number of Shares	Amount Shown in the Statement of Financial Position	Value Based on Market Quotation at end of year	Income Received and Accrued
(In Thousands Except Number of Shares)				
Financial assets at FVOCI				
Quoted:				
Philippine Long Distance Telephone Company	26,100	₱261	₱261	₱–
Manila Electric Company (MERALCO)	1,153,694	6,197	6,197	–
		6,458	6,458	–
Unquoted:				
The Palms Country Club, Inc.	1,000	3,060	3,060	–
Cebu Country Club	1	6,017	6,017	–
		9,077	9,077	–
		₱15,535	₱15,535	₱–

The Group's investment in MERALCO is an unlisted preferred shares acquired in connection with the infrastructure that it provides for the Group's real estate development projects. These are carried at cost less impairment, if any.

SCHEDULE B

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES, AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES) DECEMBER 31, 2024

As of December 31, 2024, there were no advances to employees of the Group with balances above ₱1.0 million.

All amounts receivable from related parties pertained to items arising in the ordinary course of business.

SCHEDULE C

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS DECEMBER 31, 2024

Below is the schedule of receivables with related parties which are eliminated in the consolidated financial statements as of December 31, 2024 (amounts in thousands):

		Volume of Transactions	Receivable
Filinvest Clark Mimosa, Inc. (FCMI)	Share in expenses	₱858,328	₱3,933,009
Filinvest Cyberparks, Inc. (FCI)	Share in expenses	919,626	2,962,975
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	Share in expenses	1,014,947	1,646,657
Homepro Realty Marketing, Inc. (Homepro)	Share in expenses	14,694	729,590
Filinvest REIT Corp. (FILRT)	Share in expenses	48,070	141,950
Filinvest REIT Corp. (FILRT)	Rent income	18,725	—
Property Maximizer Professional Corp. (Promax)	Share in expenses	(28,526)	123,032
Property Maximizer Professional Corp. (Promax)	Marketing fee expenses	1,503	—
Nature Specialists, Inc. (NSI)	Share in expenses	20,574	110,003
Filinvest BCDA Clark, Inc. (FBCI)	Share in expenses	500	94,902
SJR Developers, Inc. (SDI)	Share in expenses	1,164	45,423
FCGC Corporation (FCGCC)	Share in expenses	(16,811)	32,428
Gintong Parisukat Realty and Development Inc. (GPRDI)	Share in expenses	2,322	29,940
Proleads Philippines, Inc. (PPI)	Share in expenses	337	28,205
Timberland Sports and Nature Club, Inc. (TSNC)	Share in expenses	278	19,911
Filinvest All Philippines, Inc. (FAPI)	Share in expenses	7,820	16,543
Realpros Philippines, Inc. (RPI)	Share in expenses	163	15,415
Co-Living Pro Managers Corp. (CPMC)	Share in expenses	877	12,204
Property Specialist Resources, Inc. (Prosper)	Share in expenses	305	8,307
Leisurepro, Inc. (Leisurepro)	Share in expenses	200	6,832
Niyog Property Holdings, Inc. (NPHI)	Share in expenses	2,527	5,693
Filinvest Lifemalls Corporation (FLC)	Share in expenses	2,306	2,394
OurSpace Solutions, Inc. (OSI)	Share in expenses	400	855
FREIT Fund Managers, Inc. (FFMI)	Share in expenses	630	853
Cajel Realty Corporation (CRC)	Share in expenses	255	704
Filinvest Asia Corporation (FAC)	Share in expenses	340	340
ProOffice Works Services, Inc. (ProOffice)	Share in expenses	224	319
Property Leaders International Limited (PLIL)	Share in expenses	178	289
Philippine DCS Development Corporation (PDDC)	Share in expenses	86	227
Filinvest Lifemalls Mimosa, Inc. (FLMI)	Share in expenses	2	214
FSM Cinemas, Inc. (FSM Cinemas)	Share in expenses	125	140
Festival Supermall, Inc. (FSI)	Share in expenses	(376)	—
		₱2,871,793	₱9,969,354

The table below shows the movement of the receivables from related parties:

	Balance Beginning of Year	Additions	Collections	Balance at End of Year
Filinvest Clark Mimosa, Inc. (FCMI)	₱3,074,681	₱858,328	₱–	₱3,933,009
Filinvest Cyberparks, Inc. (FCI)	2,043,349	924,450	(4,824)	2,962,975
Filinvest Lifemalls Tagaytay, Inc. (FLTI)	631,710	1,014,949	(2)	1,646,657
Homepro Realty Marketing, Inc. (Homepro)	714,896	14,694	–	729,590
Filinvest REIT Corp (FILRT)	75,155	68,922	(2,127)	141,950
Property Maximizer Professional Corp. (Promax)	150,055	(25,535)	(1,488)	123,032
Nature Specialists, Inc. (NSI)	89,429	20,574	–	110,003
Filinvest BCDA Clark, Inc. (FBCI)	94,402	1,788	(1,288)	94,902
SJR Developers, Inc. (SDI)	44,259	1,164	–	45,423
FCGC Corporation (FCGCC)	49,239	(16,811)	–	32,428
Gintong Parisukat Realty and Development Inc. (GPRDI)	27,618	2,322	–	29,940
Proleads Philippines, Inc. (PPI)	27,868	337	–	28,205
Timberland Sports and Nature Club, Inc. (TSNC)	19,633	278	–	19,911
Filinvest AII Philippines, Inc. (FAPI)	8,723	7,820	–	16,543
Realpros Philippines, Inc. (RPI)	15,252	163	–	15,415
Co-Living Pro Managers Corp. (CPMC)	11,327	877	–	12,204
Property Specialist Resources, Inc. (Prosper)	8,002	532	(227)	8,307
Leisurepro, Inc. (Leisurepro)	6,632	200	–	6,832
Niyog Property Holdings, Inc. (NPHI)	3,166	2,527	–	5,693
Filinvest Lifemalls Corporation (FLC)	88	2,306	–	2,394
OurSpace Solutions, Inc. (OSI)	455	400	–	855
FREIT Fund Managers, Inc. (FFMI)	223	630	–	853
Cajel Realty Corporation (CRC)	449	255	–	704
Filinvest Asia Corporation (FAC)	–	342	(2)	340
ProOffice Works Services, Inc. (ProOffice)	95	224	–	319
Property Leaders International Limited (PLIL)	111	178	–	289
Philippine DCS Development Corporation (PDDC)	141	99	(13)	227
Filinvest Lifemalls Mimosa, Inc. (FLMI)	212	2	–	214
FSM Cinemas, Inc. (FSM Cinemas)	15	125	–	140
Festival Supermall, Inc. (FSI)	376	–	(376)	–
	₱7,097,561	₱2,882,140	(₱10,347)	₱9,969,354

The intercompany transactions between FLI and the subsidiaries pertain to share in common expenses, rental charges, marketing fee and management fee. There were no amounts written off during the year and all amounts are expected to be settled within the year.

SCHEDULE D

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT

DECEMBER 31, 2024

Below is the schedule of long-term debt of the Group:

Title of Issue & Type of Obligation	Amount Authorized by Indenture/Facility Agreement	Current Portion of Long-term Debt (In Thousands)	Long-term Debt (net of Current Portion) (In Thousands)	Interest Rate	No. of Periodic Installment	Maturity Date
Filinvest Land Inc.						
Bonds						
Philippine Peso	₱8,925,000	₱8,860,822	₱—	5.3500%	N/A, Bullet	June 23, 2025
Philippine Peso	1,000,000	994,802	—	5.7100%	N/A, Bullet	August 20, 2025
Philippine Peso	5,000,000	4,960,319	—	4.5300%	N/A, Bullet	December 21, 2025
Philippine Peso	1,764,600	—	1,761,556	4.1800%	N/A, Bullet	May 18, 2026
Philippine Peso	11,430,800	—	11,350,450	6.9829%	N/A, Bullet	June 1, 2027
Philippine Peso	2,975,000	—	2,957,983	6.4100%	N/A, Bullet	June 23, 2027
Philippine Peso	5,000,000	—	4,970,655	5.2600%	N/A, Bullet	December 21, 2027
Bank Loan- Peso						
Local Bank	6,005,000	198,760	5,771,830	Various fixed rates	Various	Various from 2025 to 2031
Local Bank	12,763,000	3,330,464	9,366,153	Various fixed rates	Various	Various from 2025 to 2031
Local Bank	200,000	198,987	—	Various fixed rates	Various	March 5, 2025
Local Bank	270,833	269,758	—	Various fixed rates	Various	January 24, 2025
Local Bank	2,000,000	—	1,994,584	Various fixed rates	Various	September 27, 2026
Local Bank	5,500,000	—	5,471,728	Various fixed / floating rates	Various	Various from 2026 to 2029
Local Bank	4,700,000	497,222	4,173,996	Various fixed / floating rates	Various	Various from 2025 to 2029
Local Bank	1,453,125	1,441,874	—	Various fixed rates	Various	Various within 2025
Sub-total	68,987,358	20,753,008	47,818,935			

Title of Issue & Type of Obligation	Amount Authorized by Indenture/Facility Agreement	Current Portion of Long-term Debt (In Thousands)	Long-term Debt (net of Current Portion) (In Thousands)	Interest Rate	No. of Periodic Installment	Maturity Date
Subsidiaries						
Bank Loan- Peso						
Local Bank	₱663,637	₱163,638	₱496,354	Various fixed rates	Various	Various from 2025 to 2031
Local Bank	4,498,333	545,729	3,924,818	Various fixed rates	Various	Various from 2025 to 2031
Local Bank	3,000,000	—	2,977,549	Various fixed rates	Various	December 27, 2029
Local Bank	985,200	—	978,993	Various fixed / floating rates	Various	Various from 2026 to 2029
Local Bank	230,208	230,208	—	Various fixed rates	Various	January 29, 2025
	₱78,364,736	₱21,692,583	₱56,196,649			

Each loan balance is presented net of unamortized deferred costs. The agreements covering the abovementioned loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.0x and minimum interest coverage ratio of 1.0x. These Peso-denominated loans bear floating interest rates, which are repriced quarterly, semi-annually or annually based on either 3-month or 1-year Bloomberg Valuation (BVAL), or Reverse Repurchase Rate (RRP), plus margin, per annum.

Each bond balance is presented net of unamortized deferred costs. The agreements covering the abovementioned bonds require maintaining certain financial ratios including maximum debt-to-equity ratio ranging from 2.0x to 2.5x ; minimum current ratio ranging from 1.0x to 2.0x; and minimum debt service coverage ratio (DSCR) of 1.0x (except for FILRT bonds which requires maximum debt-to-equity ratio of 2.33x and DSCR of 1.1x).

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock; sale or transfer and disposal of all or a substantial part of its capital assets; restrictions on use of funds; and entering into any partnership, merger, consolidation or reorganization.

The Group has complied with these contractual agreements. There was neither default nor breach noted for the year ended December 31, 2024.

SCHEDULE E

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF INDEBTEDNESS TO RELATED PARTIES

DECEMBER 31, 2024

This schedule is not applicable as there are no non-current indebtedness which exceed 5% of total assets as of December 31, 2024.

SCHEDULE F

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF GUARANTEES OF SECURITIES OF OTHER ISSUERS

DECEMBER 31, 2024

The Group does not have guarantees of securities of other issuers as of December 31, 2024.

SCHEDULE G

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF CAPITAL STOCK

DECEMBER 31, 2024

Title of issue	Number of shares authorized	As shown under related Statement of Financial Position caption		Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Directors, Officers and Employees	Others
		Number of shares issued and subscribed	Number of Treasury Shares				
		(In Thousands)					
Common Shares	33,000,000	24,470,708	2,086,949	—	16,407,414	58,745	5,917,600
Preferred Shares	8,000,000	8,000,000	—	—	8,000,000	—	—

FILINVEST LAND, INC. AND SUBSIDIARIES

SUPPLEMENTARY SCHEDULE OF BOND ISSUANCES - SECURITIES OFFERED TO THE PUBLIC

DECEMBER 31, 2024

	2013	2014	2015	2017	2020	2021	2022	2023
	7.0 Billion Bond	7.0 Billion Bond	8.0 Billion Bond	6.0 Billion Bond	8.1 Billion Bond	10.0 Billion Bond	11.90 Billion Bond	11.43 Billion Bond
Expected gross and net proceeds as disclosed in the prospectus								
Gross Proceeds	₱7,000,000,000	₱7,000,000,000	₱8,000,000,000	₱6,000,000,000	₱9,000,000,000	₱10,000,000,000	₱11,900,000,000	₱12,000,000,000
Less: Expenses	67,594,379	82,327,087	85,330,750	68,308,996	118,002,625	131,785,030	154,432,780	149,808,155
Net Proceeds	₱6,932,405,621	₱6,917,672,913	₱7,914,669,250	₱5,931,691,004	₱8,881,997,375	₱9,868,214,970	₱11,745,567,220	₱11,850,191,845
Actual gross and net proceeds								
Gross Proceeds	₱7,000,000,000	₱7,000,000,000	₱8,000,000,000	₱6,000,000,000	₱8,100,000,000	₱10,000,000,000	₱11,900,000,000	₱11,430,800,000
Less: Expenses	82,906,997	77,906,937	86,811,468	96,582,653	165,450,548	137,330,244	156,399,197	143,059,814
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,452	₱9,862,669,756	₱11,743,600,803	₱11,287,740,186
Expenditure items where the proceeds were used								
Land Acquisition	₱2,965,648,318	₱—	₱88,961,000	₱—	₱595,776,352	₱2,000,000,000	₱2,273,000,000	₱—
Project Development	1,185,554,209	2,422,093,063	2,888,760,022	—	693,494,229	532,498,565	597,600,803	6,072,085,559
Investment Property	2,765,890,476	—	4,935,467,510	5,903,417,347	2,104,200,033	1,753,544,108	273,000,000	1,215,654,627
Debt refinancing	—	4,500,000,000	—	—	4,356,621,959	5,308,627,083	8,600,000,000	4,000,000,000
General Corporate	—	—	—	—	184,456,880	268,000,000	—	—
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,453	₱9,862,669,756	₱11,743,600,803	₱11,287,740,186
Balance of the proceeds as of December 31, 2023								
Net Proceeds	₱6,917,093,003	₱6,922,093,063	₱7,913,188,532	₱5,903,417,347	₱7,934,549,452	₱9,862,669,756	₱11,743,600,803	₱11,287,740,186
Capital Expenses	6,917,093,003	2,422,093,063	7,913,188,532	5,903,417,347	3,577,927,493	4,554,042,673	3,143,600,803	7,287,740,186
Debt refinancing	—	4,500,000,000	—	—	4,356,621,959	5,308,627,083	8,600,000,000	4,000,000,000
Net Proceeds	₱—	₱—	₱—	₱—	₱—	₱—	₱—	₱—

FILINVEST LAND, INC. AND SUBSIDIARIES
SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR
FEE-RELATED INFORMATION
DECEMBER 31, 2024

	2024	2023
Total Audit Fees	₱4,883,078	₱4,301,812
Non-audit services fees:		
Other assurance services	2,356,798	4,313,320
Tax services	—	—
All other services	—	—
Total Non-audit Fees	2,356,798	4,313,320
Total Audit and Non-audit Fees	₱7,239,876	₱8,615,132

INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

The Stockholders and the Board of Directors
Filinvest Land, Inc.
Filinvest Building, 79 EDSA,
Brgy. Highway Hills, Mandaluyong City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Filinvest Land, Inc. (the Parent Company) and its subsidiaries (collectively referred to as "the Group") as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024, and have issued our report thereon dated February 26, 2025. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards, and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2024 and 2023, and for each of the three years in the period ended December 31, 2024 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026

BIR Accreditation No. 08-001998-137-2023, January 25, 2023, valid until January 24, 2026

PTR No. 10465379, January 2, 2025, Makati City

February 26, 2025



FILINVEST LAND, INC. AND SUBSIDIARIES

COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

DECEMBER 31, 2024

(Amounts in Thousands of Pesos)

Ratio	Formula	2024	2023
Current Ratio ⁽¹⁾	Total Current Assets divided by Total Current Liabilities Total Current Assets93,742,809 Divide by: Total Current Liabilities33,697,680 Current Ratio2.78	2.78	2.97
Interest-bearing Debt-to-Equity ratio	Interest-bearing Debt (<i>Sum of Consolidated Loans Payable and Consolidated Bonds Payable</i>) divided by Total Equity Interest-bearing Debt77,889,232 Divide by: Equity93,335,512 Long-term Debt-to-Equity Ratio0.83	0.83	0.79
Debt Ratio	Total Liabilities divided by Total Assets Total Liabilities113,544,139 Divide by: Total Assets206,879,651 Debt Ratio0.55	0.55	0.54
EBITDA to Total Interest Paid	Earnings before Interests and Other Charges, Income Tax, Depreciation and Amortization - EBITDA (<i>net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization</i>) divided by Total Interest Paid EBITDA11,469,215 Divide by: Total Interest Paid5,300,228 EBITDA to Total Interest Paid2.16	2.16	2.18
Price Earnings Ratio	Closing price divided by Earnings per share Closing price ⁽²⁾0.73 Divide by: Earnings per share0.17 Price Earnings Ratio4.29	4.29	3.69
Quick Asset Ratio	Quick Assets (<i>total current assets less real estate inventories</i>) divided by Current Liabilities Total Current Assets93,742,809 Less: Inventories69,967,114 Quick Assets23,775,695 Divide by: Total Current Liabilities33,697,680 Quick Asset Ratio0.71	0.71	0.71
(Forward)			

Ratio	Formula	2024	2023
Solvency Ratio	Net Income before Depreciation and Amortization (<i>net income plus depreciation and amortization</i>) divided by Total Liabilities	0.06	0.05
	Net Income 4,635,736		
	Add: Depreciation and Amortization 2,143,097		
	Net Income before Depreciation and Amortization 6,778,833		
	Divide by: Total Liabilities 113,544,139		
	Solvency Ratio 0.06		
Interest Coverage Ratio	Earnings before Interest and Other Finance Charges and Income Tax (EBIT) divided by Interest and Other Finance Charges	2.53	3.03
	EBIT 9,326,118		
	Divide by: Interest and Other Finance Charges 3,685,747		
	Interest Coverage Ratio 2.53		
Net Profit Margin	Net Income divided by Revenue	0.19	0.19
	Net Income 4,635,736		
	Divide by: Revenue 24,445,898		
	Net Profit Margin 0.19		
Return on Equity	Net Income divided by Total Equity	0.05	0.05
	Net Income 4,635,736		
	Divide by: Total Equity 93,335,512		
	Return on Equity 0.05		
Asset-to-Equity Ratio	Total Assets divided by Total Equity	2.22	2.17
	Total Assets 206,879,651		
	Divide by: Total Equity 93,335,512		
	Return on Equity 2.22		

⁽¹⁾ In computing for the Group's current ratio, current assets include cash and cash equivalents, contracts receivables, contract assets, other receivables, real estate inventories and other current assets and current liabilities include accounts payable and accrued expenses, due to related parties, income tax payable and current portion of loans payable. Determination of current accounts is based on their maturity profile of relevant assets and liabilities.

⁽²⁾ Closing price at December 31, 2024 and December 31, 2023 is ₱0.73 and ₱0.59, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS AND PLAN OF OPERATION

Plan of Operations for 2025

In terms of real property trading business segment, FLI’s business strategy has placed emphasis on the development and sale of residential lots and housing units mainly to lower and middle-income markets which accounts for approximately 50% of total demand throughout the Philippines as its core. This business segment includes landed housing, medium-rise buildings (MRB) and high-rise condominium projects, residential farm estates, entrepreneurial communities, and leisure developments in response to the demands of the Philippine market.

For 2025, FLI intends to focus on selling inventory launched in 2024. FLI projects are geographically diversified and can be found in 22 provinces across the country. FLI also focuses on projects that have short construction periods to minimize construction risks. Home buyers are typically first-time homeowners and ultimate end-users.

As far as the leasing business is concerned, the Parent Company will continue to lease out office and retail spaces. The Company operates 1, “The Crib”, its co-living space in Clark Mimosa and its industrial park in New Clark City.

Results of operations for the year ended December 31, 2024 compared to year ended December 31, 2023

	2024	2023	Change Increase (Decrease)	
REVENUE				
Real Estate Sales	₱15,392.76	₱14,486.51	₱906.26	6.26%
Rental and related services	7,848.09	7,200.95	647.14	8.99%
Total revenue	23,240.85	21,687.46	1,553.40	7.16%
EQUITY IN NET EARNINGS OF ASSOCIATES	359.04	242.01	117.03	48.36%
OTHER INCOME				
Interest Income	319.09	283.98	35.11	12.36%
Others	526.92	340.88	186.03	54.57%
	24,445.90	22,554.33	1,891.56	8.39%
COSTS				
Real Estate Sales	7,354.90	8,101.49	(746.59)	(9.22%)
Rental Services	3,583.37	3,122.34	461.03	14.77%
OPERATING EXPENSES				
General And Administrative Expenses	2,623.35	2,584.60	38.76	1.50%
Selling And Marketing Expenses	1,558.16	1,370.13	188.02	13.72%
INTEREST AND OTHER FINANCE CHARGES	3,685.75	2,434.39	1,251.35	51.40%
	18,805.53	17,612.95	1,192.58	6.77%
INCOME BEFORE INCOME TAX	5,640.37	4,941.38	698.99	14.15%

	2024	2023	Change Increase (Decrease)	
PROVISION FOR INCOME TAX				
Current	222.12	578.50	(356.38)	(61.60%)
Deferred	782.51	66.84	715.67	1070.67%
	1,004.63	645.34	359.30	55.68%
NET INCOME	₱4,635.74	₱4,296.04	₱339.69	7.91%
NET INCOME ATTRIBUTABLE TO:				
Equity holders of the parent	₱4,168.47	₱3,765.39	₱403.08	10.70%
Noncontrolling interest	467.27	530.65	(63.41)	(11.95%)
	₱4,635.74	₱4,296.04	₱339.69	7.91%

For the year ended December 31, 2024, FLI's net income from its business segments increased by ₱339.69 million or 7.91%, from ₱4,296.04 million in 2023 to ₱4,635.74 million in 2024 primarily due to the growth of the residential and leasing business segments.

Revenues and other income

Total consolidated revenues and other income increased by ₱1.89 billion or 8.39% year-on-year from ₱22.55 billion in 2023 to ₱24.45 billion in 2024 due to higher revenues generated from residential, retail and office leasing businesses.

Real estate sales grew by ₱0.91 billion or 6.26% compared to prior year, from ₱14.49 billion in 2023 to ₱15.39 billion in 2024 primarily attributed to higher construction percentage of completion achieved during the year. Real estate sales booked during the year broken down by product type are as follows: Medium Income 73.6% (inclusive of MRB and HRB); Affordable and low affordable 12.1%; High-End and others 9.9%; Socialized 4.4%.

Rental and other services improved by ₱647.14 million or 8.99% vs. last year, from ₱7,200.95 million in 2023 to ₱7,848.09 million in 2024. Mall rentals revenue grew by ₱179.28 million or 8.17% driven by gradual reduction of rental concessions, reinstatement of escalation rates and increased occupancy levels. On the other hand, the office sector remained stable with an increase of ₱149.29 million or 3.20% despite continuing challenges on account of flexible work arrangements and slow return-to-office set-up and pre-termination of leases from POGO tenants. In 2023, FLI started operations on its co-living or dormitel business in Filinvest Mimosa+ Leisure City which contributed ₱180.86 million in revenues which increased by ₱71.04 million or 38.44% to ₱255.85Mn in 2024.

Equity in net earnings of associates increased by ₱117.03 million or 48.36% year-on-year from ₱242.01 million in 2023 to ₱359.04 million in 2024 due to higher net income reported by FAI and the improvement in operations of Filinvest Mimosa, Pro-Excel, DPI and SPI.

Interest income improved by ₱35.11 million or 12.36% compared to prior year, from ₱283.98 million in 2023 to ₱319.09 million in 2024 due to interest income derived from installment contract receivables.

Other income increased by ₱186.03 million or 54.57% against last year, from ₱340.88 million in 2023 to ₱526.92 million in 2024 due to higher income generated from processing fees and management fees.

Costs and Expenses

Cost of real estate sales decreased by ₱746.59 million or 9.22%, year-on-year from ₱8,101.49 million in 2023 to ₱7,354.90 million in 2024 due to higher gross profit rate of 44% in 2023 to 52% in 2024.

Cost of rental services went up by ₱461.03 million or 14.77% compared to prior year from ₱3,122.34 million in 2023 to ₱3,583.37 million in 2024 due to higher direct operating expenses during the year on account of improving business activities in the leasing segment.

General and administrative expenses increased by ₱38.76 million or 1.50% against last year from ₱2,584.60 million in 2023 to ₱2,623.35 million in 2024 primarily due to lower property and maintenance costs, information technology expenses, outside services and recovery of prior year provision for bad debts from increased efforts on collection of past due accounts.

Selling & marketing expenses increased by ₱188.02 million or 13.72% year-on-year from ₱1,370.13 million in 2023 to ₱1,558.16 million in 2024 on account of higher commissions, sales generation activities such as exhibits and open houses, and salaries and wages and service fees to sellers to boost our sales force.

Interest and other finance charges

Interest and other finance charges increased by ₱1,251.35 million or 51.40% compared to prior year from ₱2,434.39 million in 2023 to ₱3,685.75 million in 2024 mainly from non-capitalization of borrowing costs due to the first time adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods, increase in the debt stock and average interest rates in 2024.

Provision for Income Tax

Total provision for income tax increase by ₱359.30 million or 55.68% against last year from ₱654.34 million in 2023 to ₱1,004.63 million in 2024, as the taxable income increased from the residential and office leasing segments.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Financial Condition as of December 31, 2024 compared to as of December 31, 2023

	2024	2023	Change	
			Increase (Decrease)	
ASSETS				
Current Assets				
Cash And Cash Equivalents	₱3,984.19	₱5,732.01	(₱1,747.82)	(30.49%)
Contracts Receivable	2,178.28	1,837.83	340.45	18.52%
Contract Assets	5,785.98	4,745.83	1,040.15	21.92%
Other Receivables	3,563.39	3,465.06	98.34	2.84%
Real Estate Inventories	69,967.12	72,634.83	(2,667.72)	(3.67%)
Other Current Assets	8,263.85	7,192.43	1,071.42	14.90%
Total Current Assets	93,742.81	95,607.99	(1,865.18)	(1.95%)
Noncurrent Assets				
Contract Asset - Net of Current Portion	2,653.11	5,037.94	(2,384.83)	(47.34%)
Investment In Associates	5,321.21	5,219.90	101.31	1.94%
Investment Properties	85,041.04	79,659.34	5,381.70	6.76%
Property And Equipment	5,812.72	5,673.01	139.71	2.46%
Deferred Income Tax Assets	96.03	48.48	47.55	98.07%

	2024	2023	Change Increase (Decrease)	
Goodwill	4,567.24	4,567.24	-	0.00%
BTO Rights	6,329.16	6,387.60	(58.44)	(0.91%)
Other Noncurrent Assets	3,316.33	2,274.58	1,041.75	45.80%
Total Noncurrent Assets	113,136.84	108,868.09	4,268.75	3.92%
TOTAL ASSETS	₱206,879.65	₱204,476.08	₱2,403.57	1.18%
LIABILITIES AND EQUITY				
Current Liabilities				
Accounts Payable and Accrued Expenses	₱10,947.08	₱12,551.16	(₱1,604.08)	(12.78%)
Contract Liabilities	586.26	792.40	(206.14)	(26.02%)
Lease Liabilities - Current Portion	155.89	175.46	(19.57)	(11.15%)
Due To Related Parties	244.14	488.49	(244.35)	(50.02%)
Income Tax Payable	71.73	21.56	50.18	232.77%
Loans Payable - Current Portion	6,876.64	16,480.44	(9,603.80)	(58.27%)
Bonds Payable - Current Portion	14,815.94	1,697.35	13,118.60	772.89%
Total Current Liabilities	33,697.68	32,206.86	1,490.83	4.63%
Noncurrent Liabilities				
Loans Payable - Net of Current Portion	₱35,156.01	₱20,507.49	₱14,648.52	71.43%
Bonds Payable - Net of Current Portion	21,040.64	35,771.17	(14,730.52)	(41.18%)
Contract Liabilities - Net of Current Portion	24.16	149.95	(125.79)	(83.89%)
Lease Liabilities - Net of Current Portion	6,774.45	6,544.40	230.05	3.52%
Net Retirement Liabilities	398.74	437.19	(38.46)	(8.80%)
Deferred Income Tax Liabilities - Net	4,817.00	5,649.15	(832.15)	(14.73%)
Accounts Payable and Accrued Expenses - Net of Current Portion	11,635.46	8,938.00	2,697.46	30.18%
Total Noncurrent Liabilities	79,846.46	77,997.35	1,849.11	2.37%
Total Liabilities	113,544.14	110,204.21	3,339.93	3.03%
Equity				
Common Stock	24,470.71	24,470.71	0.00	0.00%
Preferred Stock	80.00	80.00	0.00	0.00%
Additional Paid-In Capital	5,612.32	5,612.32	0.00	0.00%
Treasury Stock	(2,078.08)	(221.04)	(1,857.04)	840.14%
Retained Earnings	62,116.01	62,061.53	54.49	0.09%
Revaluation Reserve on Financial Assets at Fair Value Through Other Comprehensive Income	(2.62)	(2.62)	-	0.00%
Remeasurement Losses on Retirement Plan	47.52	47.52	-	0.00%
Share In Other Components of Equity of an Associate	372.45	372.45	-	0.00%
Equity Attributable to Equity Holders of the Parent	90,618.31	92,420.87	(1,802.55)	(1.95%)
Noncontrolling Interest	2,717.20	1,851.01	866.20	46.80%
Total Equity	93,335.51	94,271.87	(936.35)	(0.99%)
TOTAL LIABILITIES AND EQUITY	₱206,879.65	₱204,476.08	₱2,403.58	1.18%

As of December 31, 2024, FLI's total consolidated assets stood at ₱206.88 billion from ₱204.48 billion as of December 31, 2023, an increase of ₱2.40 billion or 1.18%. The following are the material changes in account balances:

30.49% Decrease in Cash and Cash Equivalents

Mainly from capital expenditures on residential projects, investment properties, property, and equipment, and BTO rights and payment of interest and cash dividends. This was partially offset by cash generated from the Group's operations.

8.64% Overall Decrease in Contract Receivables and Contract Assets

18.52% increase in contract receivables; 13.74% decrease in contract assets (21.92% increase in contract assets – current portion; 47.34% decrease in contract assets – net of current portion)

Decreases are mainly due to increased collections including receipt of bank takeouts while increases are primarily due to longer payment terms and new sales recognized during the year.

14.90% Increase in Other Current Assets

Primarily due to additional input taxes, creditable withholding taxes, and advances to contractors.

6.76% Increase in Investment Properties

Rise in investment properties is mainly due to construction of new buildings and transfers from real estate inventories, net of depreciation.

98.07% Increase in Deferred Income Tax Assets

Mainly from the deferred taxes attributable to net operating loss carry-over.

45.80% Increase in Other Noncurrent Assets

Significantly due to increase in advances to contractors and suppliers.

5.09% Overall Increase in Accounts Payable and Accrued Expenses

12.78% decrease in accounts payable and accrued expenses – current portion; 30.18 increase in accounts payable and accrued expenses – net of current portion

Primarily from unpaid capital expenditures to contractors and suppliers and advances and deposits from customers.

35.22% Overall Decrease in Contract Liabilities

26.02% decrease in contract liabilities – current portion; 83.89% decrease in contract liabilities – net of current portion

Mainly because of the construction progress for the accounts already qualified for revenue recognition.

50.02% Decrease in Due to Related Parties

Pertains to FILRT's continuing quarterly payments to FDC for the purchase of land in Boracay, Aklan, as part of its asset infusion program and other shared expenses.

232.77% Increase in Income Tax Payable

Primarily due to higher 4th quarter income tax.

13.64% Increase in Loans Payable

58.27% decrease in Loans Payable – current portion; 71.43% increase in Loans Payable – net of current portion

Attributable to newly availed loans of ₱36.73 billion offset by ₱31.69 billion repayments.

4.30% Decrease in Bonds payable

772.89% increase in Bonds Payable – current portion; 41.18% decrease in Bonds Payable – net of current portion

Primarily due to the settlement of FLI's bonds of ₱1.60 billion in 2024.

3.13% Increase in Lease Liabilities

11.15% decrease in Lease Liabilities – current portion; 3.52% increase in Lease Liabilities – net of current portion

Primarily due to new leases during the year, net of accretion.

8.80% Decrease in Retirement Liabilities

Mainly from plan asset contribution and payments, offset by net benefit costs for the year.

14.73% Decrease in Deferred Tax Liabilities – Net

Attributable to the reversal of capitalized borrowing costs on real estates inventories upon implementation of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*).

840.14% Increase in Treasury Stock

As a result of the Capped Voluntary Tender Offer (VTO) to all shareholders of the Company to acquire up to P1.866 billion of its own shares. The consideration was paid in shares of the Company in FILRT.

46.80% Increase in Non-controlling Interests

As a result of the VTO transaction resulting to a decrease in ownership of the Company in FILRT and share in net income, net of dividends declared.

Performance Indicators	2024	2023
Earnings per Share - Basic ¹	0.17	0.16
Earnings per Share - Diluted ²	0.17	0.16
Price Earnings Ratio ³	4.29	3.69
Interest-bearing Debt to Equity Ratio ⁴	0.83	0.79
Debt Ratio ⁵	0.55	0.54
EBITDA to Total Interest Paid ⁶	2.16	2.18

¹ Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

² Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

³ Price Earnings Ratio is computed as closing price of the Parent Company's shares of stock divided by actual earnings per share for the years ended December 31, 2024 and 2023

⁴ Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

⁵ Debt Ratio is computed as total liabilities divided by total assets

⁶ EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid.

Results of operations for the year ended December 31, 2023 compared to year ended December 31, 2022

	2023	2022	Change	
			Increase (Decrease)	
REVENUE				
Real Estate Sales	₱14,486.51	₱12,836.06	₱1,650.45	12.86%
Rental and related services	7,200.95	6,350.41	850.54	13.39%
Total revenue	21,687.46	19,186.46	2,500.99	13.04%
EQUITY IN NET EARNINGS OF ASSOCIATES				
	242.01	78.96	163.05	206.50%
OTHER INCOME				
Interest Income	283.98	367.05	(83.07)	(22.63%)
Others	340.88	311.87	29.01	9.30%
	22,554.33	19,944.34	2,609.97	13.09%
COSTS				
Real Estate Sales	8,101.49	7,354.69	746.79	10.15%
Rental and related services	3,122.34	2,583.49	538.85	20.86%
OPERATING EXPENSES				
General And Administrative Expenses	2,584.60	2,313.06	271.54	11.74%
Selling And Marketing Expenses	1,370.13	1,150.64	219.49	19.08%
INTEREST AND OTHER FINANCE CHARGES				
	2,434.39	2,294.24	140.15	6.11%
	17,612.95	15,696.12	1,916.82	12.21%
INCOME BEFORE INCOME TAX	4,941.38	4,248.21	693.17	16.32%
PROVISION FOR INCOME TAX				
Current	578.50	420.35	158.14	37.62%
Deferred	66.84	306.73	(239.88)	(78.21%)
	645.34	727.08	(81.74)	(11.24%)

	2023	2022	Change	
			Increase (Decrease)	
NET INCOME	₱4,296.04	₱3,521.14	₱ 774.91	22.01%
NET INCOME ATTRIBUTABLE TO:				
Equity holders of the parent	₱3,765.39	₱2,889.91	₱875.47	30.29%
Noncontrolling interest	530.65	631.22	(100.57)	(15.93%)
	₱4,296.04	₱3,521.14	₱774.91	22.01%

For the year ended December 31, 2023, FLI's net income from its business segments increased by ₱774.91 million or 22.01%, from ₱3,521.14 million in 2022 to ₱4,296.04 million in 2023 primarily due to the growth of the residential and leasing business segments.

Revenues and other income

Total consolidated revenues and other income increased by ₱2.61 billion or 13.09% year-on-year from ₱19.94 billion in 2022 to ₱22.55 billion in 2023 due to higher revenues generated from residential, retail and office leasing businesses.

Real estate sales grew by ₱1.65 billion or 12.86% compared to prior year, from ₱12.84 billion in 2022 to ₱14.49 billion in 2023 primarily attributed to higher construction percentage of completion achieved during the year. Real estate sales booked during the year broken down by product type are as follows: Medium Income 67.89% (inclusive of MRB and HRB); Affordable and low affordable 23.25%; High-End 5.9%; Socialized 2.96%.

Rental and other services improved by ₱850.54 million or 13.39% vs. last year, from ₱6,350.41 million in 2022 to ₱7,200.95 million in 2023. Mall rentals revenue grew by ₱534.44 million or 32% driven by gradual reduction of rental concessions, reinstatement of escalation rates and increased occupancy levels. On the other hand, the office sector remained stable with an increase of ₱76.74 million or 2% despite continuing challenges on account of flexible work arrangements and slow return-to-office set-up and pre-termination of leases from POGO tenants. During the year, FLI started operations on its co-living or dormitel business in Filinvest Mimosa+ Leisure City which contributed to ₱180.86 million in revenues. Equity in net earnings of associates increased by ₱163.05 million or 206.50% year-on-year from ₱78.96 million in 2022 to ₱242.01 million in 2023 due to higher net income reported by FAI and the improvement in operations of SPI, Pro-Excel and CTI.

Interest income declined by ₱83.07 million or 22.63% compared to prior year, from ₱367.05 million in 2022 to ₱283.98 million in 2023 due to lower interest income derived from installment contract receivables for in-house financing scheme as we are prioritizing bank financed loans.

Other income increased by ₱29.01 million or 9.30% against last year, from ₱311.87 million in 2022 to ₱340.88 million in 2023 due to higher income generated from processing fees.

Costs and Expenses

Cost of real estate sales increased by ₱746.79 million or 10.15%, year-on-year from ₱7,354.69 million in 2022 to ₱8,101.49 million in 2023 due to higher real estate revenues realized during the year.

Cost of rental services went up by ₱538.85 million or 20.86% compared to prior year from ₱2,583.49 million in 2022 to ₱3,122.34 million in 2023 due to higher direct operating expenses during the year on account of improving business activities in the leasing segment.

General and administrative expenses increased by ₱271.54 million or 11.74% against last year from ₱2,313.06 million in 2022 to ₱2,584.60 million in 2023 primarily due to higher manpower costs, taxes and licenses and increased repairs and maintenance expenses for the managed projects.

Selling & marketing expenses increased by ₱219.49 million or 19.08% year-on-year from ₱1,150.64 million in 2022 to ₱1,370.13 million in 2023 on account of higher commissions, local and international branch sale offices and sales and marketing activities designed to generate sales.

Interest and other finance charges

Interest and other finance charges increased by ₱140.15 million or 6.11 % compared to prior year from ₱2,294.24 million in 2022 to ₱2,434.39 million in 2023 mainly from higher average interest rates.

Provision for Income Tax

Total provision for income tax decreased by ₱81.74 million or 11.24% against last year from ₱727.08 million in 2022 to ₱645.34 million in 2023, as the taxable income decreased due mainly to more projects enjoying special tax rates such as PEZA and BOI.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Financial Condition as of December 31, 2023 compared to as of December 31, 2022

	2023	2022	Change	
			Increase (Decrease)	
ASSETS				
Current Assets				
Cash And Cash Equivalents	₱5,732.01	₱6,619.13	₱(887.13)	(13.40%)
Contracts Receivable	1,837.83	2,128.88	(291.05)	(13.67%)
Contract Assets	4,745.83	5,399.79	(653.96)	(12.11%)
Other Receivables	3,465.06	2,902.01	563.05	19.40%
Real Estate Inventories	72,634.83	71,326.49	1,308.34	1.83%
Other Current Assets	7,192.43	6,380.77	811.67	12.72%

	2023	2022	Change	
			Increase (Decrease)	
Total Current Assets	95,607.99	94,757.07	850.92	0.90%
Noncurrent Assets				
Contract Asset - Net of Current Portion	5,037.94	5,083.16	(45.22)	(0.89%)
Investment In Associates	5,219.90	5,135.02	84.88	1.65%
Investment Properties	79,659.34	77,021.40	2,637.94	3.42%
Property And Equipment	5,673.01	5,485.28	187.73	3.42%
Deferred Income Tax Assets	48.48	91.38	(42.90)	(46.95%)
Goodwill	4,567.24	4,567.24	-	0.00%
Other Noncurrent Assets	8,662.18	7,974.63	687.55	8.62%
Total Noncurrent Assets	108,868.09	105,358.11	3,509.98	3.33%
TOTAL ASSETS	₱204,476.08	₱200,115.18	₱ 4,360.90	2.18%

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable and Accrued Expenses	₱12,551.16	₱11,948.85	₱540.60	5.04%
Contract Liabilities	792.40	1,012.29	(219.89)	(21.72%)
Lease Liabilities - Current Portion	175.46	246.05	(70.59)	(28.69%)
Due To Related Parties	488.49	754.26	(265.78)	(35.24%)
Income Tax Payable	21.56	19.55	63.71	10.25%
Loans Payable - Current Portion	16,480.44	8,446.97	8,033.46	95.10%
Bonds Payable - Current Portion	1,697.35	15,017.44	(13,320.09)	(88.70%)
Total Current Liabilities	32,206.86	37,445.43	(5,238.58)	(13.99%)

Noncurrent Liabilities

Loans Payable - Net of Current Portion	₱20,507.49	₱24,402.51	₱(3,895.02)	(15.96%)
Bonds Payable - Net of Current Portion	35,771.17	26,115.35	9,655.82	36.97%
Contract Liabilities - Net of Current Portion	149.95	283.07	(133.12)	(47.03%)
Lease Liabilities - Net of Current Portion	6,544.40	6,262.44	281.96	4.50%
Net Retirement Liabilities	437.19	431.31	5.89	1.36%
Deferred Income Tax Liabilities - Net	5,649.15	5,625.21	23.94	0.43%

	2023	2022	Change	
			Increase (Decrease)	
Accounts Payable and Accrued Expenses - Net of Current Portion	8,938.00	8,047.13	890.87	11.07%
Total Noncurrent Liabilities	77,997.35	71,167.01	6,830.35	9.60%
Total Liabilities	110,204.21	108,612.44	1,591.77	1.47%
Equity				
Common Stock	24,470.71	24,470.71	(0.00)	(0.00%)
Preferred Stock	80.00	80.00	(0.00)	(0.00%)
Additional Paid-In Capital	5,612.32	5,612.32	0.00	0.00%
Treasury Stock	(221.04)	(221.04)	-	0.00%
Retained Earnings	62,061.53	59,172.01	2,889.52	4.88%
Revaluation Reserve on Financial Assets at Fair Value Through Other Comprehensive Income	(2.62)	(2.62)	-	0.00%
Remeasurement Losses on Retirement Plan	47.52	68.19	(20.66)	(30.31%)
Share In Other Components of Equity of an Associate	372.45	372.45	-	0.00%
Equity Attributable to Equity Holders of the Parent	92,420.87	89,552.01	2,868.85	3.20%
Noncontrolling Interest	1,851.01	1,950.73	(99.73)	(5.11%)
Total Equity	94,271.87	91,502.74	2,769.13	3.03%
TOTAL LIABILITIES AND EQUITY	₱204,476.08	₱200,115.18	₱4,360.90	2.18%

As of December 31, 2023, FLI's total consolidated assets stood at ₱204.48 billion from ₱200.12 billion as of December 31, 2022, an increase by ₱4.36 billion or 2.18%. The following are the material changes in account balances:

13.40% Decrease in Cash and Cash Equivalents

Mainly from capital expenditures on investment properties, property, and equipment, and BTO rights and payment of interest and cash dividends. This was partially offset by cash generated from the Group's operations.

7.85% Overall Decrease in Contract Receivables and Contract Assets

13.67% decrease in contract receivables; 6.67% decrease in contract assets (12.11% decrease in contract assets – current portion; 0.89% decrease in contract assets – net of current portion)

Decreases are mainly due to increased collections including receipt of bank takeouts while increases are primarily due to longer payment terms and new sales recognized during the year.

19.40% Increase in Other Receivables

Mainly due to increase in receivables from leasing tenants.

12.72% Overall Increase in Other Current Assets

Primarily due to additional input taxes, creditable withholding taxes, and advances to contractors.

46.95% Decrease in Deferred Income Tax Assets

Mainly from the decrease in deferred taxes attributable to advance rentals.

8.62% Increase in Other Noncurrent Assets

Increase was largely due to additional construction costs of Filinvest Cebu Cyberzone (known as “BTO rights”) covered by the BTO agreement with the Provincial Government of Cebu and an investment in a 5-year, non-interest bearing, Class A Senior Notes issued by a third-party special purpose trust fund.

7.47% Overall Increase in Accounts Payable and Accrued Expenses

5.04% increase in Accounts Payable and Accrued Expenses – current portion; 11.07% increase in Accounts Payable and Accrued Expenses – net of current portion

Mainly from the unpaid balance of Niyog and Cajel acquisition, increase in deposit from tenants, and other operating payables of the Group.

27.25% Overall Decrease in Contract Liabilities

21.72% decrease in contract liabilities – current portion; 47.03% decrease in contract liabilities – net of current portion

Mainly because of the construction progress for the accounts already qualified for revenue recognition.

35.24% Decrease in Due to Related Parties

Pertains to FILRT’s continuing quarterly payments to FDC for the purchase of land in Boracay, Aklan, as part of its asset infusion program.

10.25% Increase in Income Tax Payable

Primarily due to higher 4th quarter income tax

12.60% Increase in Loans Payable

95.10% increase in Loans Payable – current portion; 15.96% decrease in Loans Payable – net of current portion

Attributable to newly availed loans of ₱24.66 billion offset by ₱20.53 billion repayments.

8.91% Decrease in Bonds payable

88.70% decrease in Bonds Payable – current portion; 36.97% increase in Bonds Payable – net of current portion

Primarily due to the settlement of FILRT’s bonds of ₱6.00 billion in January 2023 and FLI’s bonds of ₱9.04 billion in November 2023, partially offset by FLI’s bond issuance amounting to ₱11.43 billion in December 2023.

1.36% Increase in Retirement Liabilities

Mainly from plan asset contribution and payments, offset by net benefit costs for the year.

30.31% Decrease on Remeasurement Losses on Retirement Plan

Mainly due to actuarial adjustments during the year.

5.74% Decrease in Non-controlling Interests

Mainly due to dividend distributions higher than the income share of NCI

Performance Indicators	2023	2022
Earnings per Share - Basic ¹	0.16	0.12
Earnings per Share - Diluted ²	0.16	0.12
Price Earnings Ratio ³	3.69	7.50
Interest-bearing Debt to Equity Ratio ⁴	0.79	0.81
Debt Ratio ⁵	0.54	0.54
EBITDA to Total Interest Paid ⁶	2.18	2.27

¹ Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

² Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

³ Price Earnings Ratio is computed as closing price of the Parent Company's shares of stock divided by actual earnings per share for the years ended December 31, 2023 and 2022

⁴ Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

⁵ Debt Ratio is computed as total liabilities divided by total assets

⁶ EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid.

Seasonality

Except for the significant impact of COVID-19 pandemic to the Company's operations starting March 2020, there were no other trends, events or uncertainties that have had or that are reasonably expected to have a material impact on net sales or revenues or income from operations.

Results of operations for the year ended December 31, 2022 compared to year ended December 31, 2021

Pursuant to the adoption of PIC Q&A 2018-12-H, PFRS 15 - Accounting for Common Usage Service (CUSA) Charges, the figures for December 31, 2022 and 2021 were restated for comparability to current period where chargeable collections / reimbursements i.e. CAMC/CUSA and aircon charges are presented as part of the rental services revenues while chargeable expenses are presented as part of the cost of rental services.

	2022	2021	Change	
		(As Restated)	Increase (Decrease)	
REVENUE				
Real Estate Sales	₱12,836.06	₱11,274.51	₱1,561.55	13.85%
Rental Services	6,350.41	5,591.80	758.61	13.57%
Total revenue	19,186.46	16,866.31	2,320.15	13.76%
EQUITY IN NET EARNINGS OF AN ASSOCIATE	78.96	112.02	(33.07)	(29.52%)
OTHER INCOME				
Interest Income	367.05	409.61	(42.56)	(10.39%)
Others	311.87	350.98	(39.10)	(11.14%)
	19,944.34	17,738.92	2,205.43	12.43%
COSTS				
Real Estate Sales	7,354.69	6,443.69	911.00	14.14%
Rental Services	2,583.49	2,430.62	152.87	6.29%
OPERATING EXPENSES				
General And Administrative Expenses	2,313.06	1,979.12	333.94	16.87%
Selling And Marketing Expenses	1,150.64	911.82	238.83	26.19%
INTEREST AND OTHER FINANCE CHARGES	2,294.24	2,426.79	(132.55)	(5.46%)
	15,696.13	14,192.04	1,504.09	10.60%
INCOME BEFORE INCOME TAX	4,248.21	3,546.88	701.34	19.77%
PROVISION FOR INCOME TAX				
Current	420.35	350.99	69.36	19.76%
Deferred	306.73	(1,109.34)	1,416.07	127.65%
	727.08	(758.35)	1,485.43	195.88%
NET INCOME	₱3,521.14	₱4,305.23	₱ (784.09)	(18.21%)
NET INCOME ATTRIBUTABLE TO:				
Equity holders of the parent	₱2,889.91	₱3,803.38	₱ (913.46)	(24.02%)

	2022	2021	Change	
		(As Restated)	Increase (Decrease)	
Noncontrolling interest	631.22	501.85	129.37	25.78%
	₱3,521.14	₱4,305.23	₱ (784.09)	(18.21%)

For the year ended December 31, 2022, FLI's net income from its business segments declined by ₱784.09 million or 18.21%, from ₱4,305.23 million in 2021 to ₱3,521.14 million in 2022 primarily due to ₱1.10 billion income tax benefit recognized last year due to CREATE law. Without the tax benefit, net income in 2021 will be at ₱3,183.95 million for a net income improvement of ₱337.19 million or 10.59% in 2022.

Revenues and other income

Total consolidated revenues and other income increased by ₱2,205.43 million or 12.43% year-on-year from ₱17,738.92 million in 2021 to ₱19,944.35 million in 2022 due to higher revenues generated from both residential and retail leasing businesses tempered by the slight decrease in the office leasing business.

Real estate sales grew by ₱1,561.55 million or by 13.85% compared to prior year, from ₱11,274.51 million in 2021 to ₱12,836.06 million in 2022 primarily attributed to higher construction percentage of completion achieved during the year. Real estate sales booked during the year broken down by product type are as follows: Medium Income 69.5% (inclusive of MRB and HRB); Affordable and low affordable 20.7%; High-End 8%; Socialized 1.8%.

Rental and related services increased by ₱758.61 million or by 13.57% vs. last year, from ₱5,591.80 million in 2021 to ₱6,350.41 million in 2022. Mall rentals more than doubled from year ago levels, from ₱796.10 million to ₱1,678.56 million or an increase of ₱882.46 million or 110.85% due to gradual reduction of rental concessions, reinstatement of escalation rates and increased occupancy levels. On the other hand, the office sector continued to face challenges on account of flexible work arrangements and slow return-to-office set-up and pre-termination of leases from POGO tenants which resulted to lower occupancy.

Equity in net earnings of an associate decreased by ₱33.07 million or by 29.52% year-on-year from ₱112.02 million in 2021 to ₱78.96 million in 2022 due to lower net income reported by FAI and the share in net loss from operations of DPI and CTI.

Interest income decreased by ₱42.56 million or by 10.39% compared to prior year from ₱409.61 million in 2021 to ₱367.05 million in 2022 due to lower interest income derived from installment contract receivables for in-house financing scheme as we are prioritizing bank financed loans.

Other income lowered by ₱39.10 million or by 11.14% vs. last year from ₱350.98 million in 2021 to ₱311.87 million in 2022 due to lower income generated from processing fees.

Costs and Expenses

Cost of real estate sales increased by ₱911 million or by 14.14%, year-on-year from ₱6,443.69 million in 2021 to ₱7,354.69 million in 2022 due to higher real estate revenues realized during the year.

Cost of rental services increased by ₱152.87 million or by 6.29% compared to prior year from ₱2,430.62 million in 2021 to ₱2,583.49 million in 2022 due to higher direct operating expenses during the year on account of improving business activities in the retail segment.

General and administrative expenses increased by ₱333.94 million or by 16.87% vs. last year from ₱1,979.12 million in 2021 to ₱2,313.06 million in 2022 primarily due to higher manpower costs, taxes and licenses and increased repairs and maintenance expenses for the managed projects.

Selling & marketing expenses increased by ₱238.83 million or by 26.19% year-on-year from ₱911.82 million in 2021 to ₱1,150.64 million in 2022 due to higher commissions and sales generation activities which resulted to higher option sales for the year.

Interest and other finance charges

Interest and other finance charges decreased by ₱132.55 million or by 5.46% compared to prior year from ₱2,426.79 million in 2021 to ₱2,294.24 million in 2022 due to lower other finance charges coupled with higher capitalized interest during the year.

Provision for Income Tax

Total provision for income tax increased by ₱1,485.43 million or 195.88% vs. last year from a tax benefit of ₱758.35 million in 2021 to a tax expense of ₱727.08 million in primarily due to ₱1.10 billion income tax benefit recognized last year due to CREATE law.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

Financial Condition as of December 31, 2022 compared to as of December 31, 2021

	2022	2021	Change	
			Increase (Decrease)	
ASSETS				
Current Assets				
Cash And Cash Equivalents	₱6,619.13	₱9,658.26	₱ (3,039.13)	(31.47%)
Contracts Receivable	2,128.88	5,337.93	(3,209.05)	(60.12%)
Contract Assets	5,399.79	4,177.82	1,221.97	29.25%
Other Receivables	2,902.01	2,710.46	191.54	7.07%
Real Estate Inventories	71,326.49	68,726.92	2,599.57	3.78%
Other Current Assets	6,380.77	4,933.31	1,447.45	29.34%
Total Current Assets	94,757.07	95,544.70	(787.64)	(0.82%)
Noncurrent Assets				
Contract Asset - Net of Current Portion	5,083.16	4,152.76	930.41	22.40%

	2022	2021	Change	
			Increase (Decrease)	
Investment In Associates	5,135.02	5,045.09	89.93	1.78%
Investment Properties	77,021.40	72,077.99	4,943.41	6.86%
Property And Equipment	5,485.28	4,794.02	691.26	14.42%
Deferred Income Tax Assets	91.38	95.55	(4.17)	(4.36%)
Goodwill	4,567.24	4,567.24	0.00	0.00%
Other Noncurrent Assets	7,974.63	6,946.18	1,028.45	14.81%
Total Noncurrent Assets	105,358.11	97,678.83	7,679.29	7.86%
TOTAL ASSETS	₱200,115.18	₱193,223.53	₱6,891.65	3.57%

LIABILITIES AND EQUITY

Current Liabilities

Accounts Payable And Accrued Expenses	₱11,948.85	₱11,738.49	₱210.36	1.79%
Contract Liabilities	1,012.29	1,171.38	(159.09)	(13.58%)
Lease Liabilities - Current Portion	246.05	248.59	(2.54)	(1.02%)
Due To Related Parties	754.26	204.32	549.95	269.16%
Income Tax Payable	19.55	8.52	11.03	129.44%
Loans Payable - Current Portion	8,446.97	4,912.20	3,534.78	71.96%
Bonds Payable - Current Portion	15,017.44	6,991.75	8,025.69	114.79%
Total Current Liabilities	37,445.43	25,275.25	12,170.18	48.15%

Noncurrent Liabilities

Loans Payable - Net Of Current Portion	₱24,402.51	₱27,270.55	₱ (2,868.04)	(10.52%)
Bonds Payable - Net Of Current Portion	26,115.35	29,297.17	(3,181.83)	(10.86%)
Contract Liabilities - Net Of Current Portion	283.07	774.21	(491.14)	(63.44%)
Lease Liabilities - Net Of Current Portion	6,262.44	6,099.43	163.01	2.67%
Net Retirement Liabilities	431.31	459.63	(28.32)	(6.16%)
Deferred Income Tax Liabilities - Net	5,625.21	5,317.27	307.94	5.79%
Accounts Payable And Accrued Expenses - Net Of Current Portion	8,047.13	8,939.80	(892.67)	(9.99%)
Total Noncurrent Liabilities	71,167.01	78,158.06	(6,991.05)	(8.94%)
Total Liabilities	108,612.44	103,433.31	5,179.13	5.01%

	2022	2021	Change	
			Increase (Decrease)	
Equity				
Common Stock	24,470.71	24,470.71	0.00	0.00%
Preferred Stock	80.00	80.00	0.00	0.00%
Additional Paid-In Capital	5,612.32	5,612.32	0.00	0.00%
Treasury Stock	(221.04)	(221.04)	0.00	0.00%
Retained Earnings	59,172.01	57,425.03	1,746.98	3.04%
Revaluation Reserve On Financial Assets At Fair Value Through Other Comprehensive Income	(2.62)	(2.62)	0.00	0.00%
Remeasurement Losses On Retirement Plan	68.19	(16.17)	84.35	(521.71%)
Share In Other Components Of Equity Of An Associate	372.45	372.45	0.00	0.00%
Equity attributable to equity holders of the parent	89,552.01	87,720.68	1,831.33	2.09%
Noncontrolling Interest	1,950.73	2,069.54	(118.81)	(5.74%)
Total Equity	91,502.74	89,790.22	1,712.52	1.91%
TOTAL LIABILITIES AND EQUITY	₱200,115.18	₱193,223.53	₱6,891.65	3.57%

As of December 31, 2022, FLI's total consolidated assets stood at ₱200.12 billion from the ₱193.22 billion balance as of December 31, 2021, increased by ₱6.9 billion or by 3.57%. The following are the material changes in account balances:

31.47% Decrease in Cash and cash equivalents

Primarily due to additions to investment properties, property and equipment and BTO rights tempered by increased net cash provided by operating activities on account of increased collections. In addition, the company raised funds from the REIT in August 2021, which had to be reinvested within one year and was fully utilized in 2022.

7.73% Overall Decrease in Contract Receivables and Contract Assets

60.12% decrease in contract receivables; 25.84% increase in contract assets (29.25% increase in contract assets – current portion; 22.40% increase in contract assets – net of current portion)

Decreases are mainly due to increased collections including receipt of bank takeouts while increases are primarily due to longer payment terms and new sales recognized during the year.

7.07% Increase in Other receivables

Mainly due to increase in receivables from office tenants.

29.34% Overall Increase in Other Current Assets

Primarily due to additional input VAT and creditable withholding taxes.

6.86% Increase in Investment Properties

Substantially due to continued payments for construction activities for leasing projects located in Ortigas Center and Filinvest Mimosa and the purchase of properties in Aklan and Bulacan intended to be used for leasing operations.

14.42% Increase in Property and Equipment

Major additions pertain to investment in a precast and concrete batching plant and related heavy equipment to provide stable ready-mixed concrete and precast concrete products to FLI's developments and the purchase of formworks and other construction equipment to be used primarily in residential developments aimed to accelerate construction completion.

14.81% Increase in Other Noncurrent Assets

Primarily due to additional construction costs of Filinvest Cebu Cyberzone (known as "BTO rights") covered by the BTO agreement with the Provincial Government of Cebu and an investment in a 5-year, non-interest bearing, Class A Senior Notes issued by a third-party special purpose trust fund.

9.99% Overall Decrease in Accounts Payable and Accrued Expenses – Net of Current Portion

Mainly due to the increased payments to contractors, vendors, and suppliers

33.42% Overall Decrease in Contract Liabilities

13.58% decrease in contract liabilities – current portion; 63.44% decrease in contract liabilities – net of current portion

Mainly due to the accounts already qualified for revenue recognition.

269.16% Increase in Due to Related Parties

Mostly due to the remaining unpaid portion pertaining to the purchase of land in Boracay, Aklan, from FDC by FILRT as part of its asset infusion program.

129.44% Increase in Income Tax Payable

Primarily due to higher taxable income for the year

2.07% Increase in Loans Payable

71.96% increase in Loans Payable – current portion; 10.52% decrease in Loans Payable – net of current portion

Mainly due to newly availed loans of ₱12.81 billion offset by ₱12.16 billion repayments of existing loans.

13.35% Increase in Bonds payable

114.79% increase in Bonds Payable – current portion; 10.86% decrease in Bonds Payable – net of current portion mainly due to bond issuance amounting to ₱11.90 billion last June 2022. The proceeds were used to pay off maturing bonds in August 2022 amounting to ₱7.0 billion and refinance bank loans due for the rest of the year. Increase in current portion is to reclassify the bonds maturing in 2023.

6.16% Decrease in Retirement Liabilities

Mainly due to actuarial adjustments on the present value of defined benefit obligation.

5.79% Increase in Deferred Tax Liabilities - Net

The increase was mainly due to deferred tax assets on account of capitalized borrowing costs during the year.

521.71% Decrease on Remeasurement Losses on Retirement Plan

Mainly due to actuarial adjustments resulting from changes on actuarial assumptions.

5.74% Decrease in Non-controlling Interests

Largely due to higher dividends distributed over share in net earnings for the year.

Performance Indicators	2022	2021
Earnings per Share - Basic ¹	0.12	0.16
Earnings per Share - Diluted ²	0.12	0.16
Price Earnings Ratio ³	7.50	6.88
Interest-bearing Debt to Equity Ratio ⁴	0.81	0.76
Debt Ratio ⁵	0.54	0.54
EBITDA to Total Interest Paid ⁶	2.27	2.08

¹ Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

² Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

³ Price Earnings Ratio is computed as closing price of the Parent Company's shares of stock divided by actual earnings per share for the years ended December 31, 2021 and 2020

⁴ Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

⁵ Debt Ratio is computed as total liabilities divided by total assets

⁶ EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid.

Seasonality

Except for the significant impact of COVID-19 pandemic to the Company's operations starting March 2020, there were no other trends, events or uncertainties that have had or that are reasonably expected to have a material impact on net sales or revenues or income from operations.

Significant Subsidiary

(Filinvest REIT Corp. (FILRT) (formerly Cyberzone Properties, Inc. – CPI)

The table below presents FILRT's information on revenues, net income and financial soundness indicators, all before elimination of intercompany transactions, as of and for the years ended December 31, 2024, 2023, and 2022:

FILRT		
For the years ended December 31,		
2022	2023	2024

		(millions)	
Gross Revenues	₱3,239.6	₱2,989.7	₱2,843.6
Net Income	1,305.3	925.2	854.1

As a % of FLI Group's

Gross Revenues and Other Income	16.24%	13.40%	11.63%
Net Income	37.07%	21.54%	18.42%

	For the years ended December 31,		
	2022	2023	2024
Current Ratio ¹	0.36	1.28	1.06
Debt Ratio ²	0.63	0.64	0.64
Net Profit Margin ³	0.40	0.31	0.30
Return on Equity ⁴	0.25	0.19	0.19
Asset-to-Equity Ratio ⁵	2.67	2.78	2.81

1. Current Ratio = Current Assets divided by Current Liabilities
2. Debt Ratio = Total Liabilities divided by Total Assets
3. Net Profit Margin = Net Income divided by Revenue
4. Return on Equity = Annualized Net Income divided by Total Equity.
5. Asset-to-Equity Ratio = Total Assets divided by Total Equity

All other subsidiaries do not have significant contributions to the Group.

Other Disclosures

Aside from the possible material increase in interest rates of the outstanding long-term debts with floating rates, there are no known trends, events or uncertainties or any material commitments that may result to any cash flow or liquidity problems of FLI within the next 12 months. The Parent Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangements requiring it to make payments, or any significant amount in its accounts payable that have not been paid within the stated terms.

There are no known trends, events or uncertainties that have had or are reasonably expected to have favorable or unfavorable impact on net sales or revenues or income from continuing operations of FLI.

Except for income generated from retail leasing, there are no seasonal aspects that have a material effect on FLI's financial conditions or results of operations.

The operating activities of FLI are carried uniformly over the calendar year; there are no significant elements of income or loss that did not arise from its continuing operations.

There are no known events that will trigger the settlement of a direct or contingent financial obligation that is material to the Parent Company.

There are no off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships to the Parent Company with unconsolidated entities or other persons created during the reporting period, except those discussed.

The Group does not have any contingent liability or borrowings wherein financial assets were pledged to secure payment nor does it have borrowings wherein properties were mortgaged to secure a loan.

Item 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANT ON ACCOUNTING AND FINANCIAL DISCLOSURE

SyCip, Gorres, Velayo & Co (SGV) has been the duly appointed independent auditors for the years covered by this report.

SGV has been recommended for election as external auditor for the year 2024. FLI, in compliance with SRC Rule 68(3)(b)(iv) relative to the seven-year rotation requirement of its external auditors, has designated Ms. Wanessa Salvador as its engagement partner for the Group starting CY 2019. Thus, Ms. Salvador is qualified to act as such until year 2025.¹ The representatives of SGV are expected to be present at the annual meeting where they will have the opportunity to make a statement if they desire to do so. They are expected to be available to respond to appropriate questions at the meeting.

There are no changes in and disagreements with FLI's independent accountants on accounting and financial disclosures during the past two years ended December 31, 2024.

¹ Ms. Salvador was appointed as engagement partner for FLI only on 2020, and thus should have until year 2026 within which to serve as such. However, given her appointment as engagement partner for FILRT on 2019, which is a material subsidiary of FLI, her seven-year limit for FLI will be reckoned from 2019.

For Approval by the Stockholders at the 2025 Annual Stockholders' Meeting**FILINVEST LAND, INC.****MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING**

Held on 19 April 2024 at 3:00 p.m.
Conducted virtually *via* Microsoft Teams

I. ATTENDANCE**STOCKHOLDERS PRESENT/REPRESENTED:**

Present by proxy	25,739,830,848	79.8140%
Remote Communication	115,715	0.0004%
Voting <i>in absentia</i>	82,000	0.0003%
Total Attendance	25,740,028,563	79.8146%

ALSO PRESENT:**Board of Directors ("Board"):**

Name	Position/Board Committees
Mr. Jonathan T. Gotianun	Chairman of the Board Member – Executive Committee Member – Audit and Risk Management Oversight Committee Member – Compensation Committee Member – Corporate Governance Committee
Ms. Lourdes Josephine Gotianun Yap	Vice-Chairperson Chairperson – Executive Committee Member – Audit and Risk Management Oversight Committee Member – Compensation Committee
Mr. Tristaneil D. Las Marias	President and Chief Executive Officer ("CEO") Member – Executive Committee
Mr. Francis Nathaniel D. Gotianun	Member – Executive Committee
Mr. Michael Edward T. Gotianun	Member – Executive Committee
Atty. Efren C. Gutierrez	Member – Audit and Risk Management Oversight Committee Member – Related-Party Transaction Committee
Dr. Ernesto S. De Castro	Independent Director Member – Corporate Governance Committee

Name	Position/Board Committees
Mr. Gemilo J. San Pedro	Independent Director Chairman – Audit and Risk Management Oversight Committee Member – Compensation Committee Member – Related-Party Transaction Committee Member – Corporate Governance Committee
Atty. Val Antonio B. Suarez	Independent Director Chairman – Compensation Committee Chairman – Corporate Governance Committee Chairman – Related-Party Transaction Committee Member – Audit and Risk Management Oversight Committee

New Nominee-Directors:

Name	Details
Ms. Rhoda A. Huang	New Nominee for election as Regular Director
Atty. Ephyro Luis A. Amatong	New Nominee for election as Independent Director

Officers:

Name	Position
Ms. Ana Venus A. Mejia	Executive Vice President, Treasurer and Chief Finance Officer (“CFO”)
Mr. Francis V. Ceballos	Senior Vice President - Industrial, Warehousing and Logistics Business Head
Atty. Maria Victoria R. Beltran	Senior Vice President, General Counsel and Compliance Officer
Mr. Edward Thomas V. Bernas	Senior Vice President – Assistant Residential Business Head
Ms. Janeth B. de los Reyes	Senior Vice President, Deputy Chief Finance Officer and Chief Risk Officer
Mr. Wilbert B. Serrano	First Vice President and Sales and Marketing Head
Mr. Alexis Avalone Ojeda	First Vice President and Sales Channel Development Head
Ms. Rizalangela L. Reyes	First Vice President – Business Support head, Head of Administration for Property, Utility and Shared Service Companies
Ms. Mary Averose D. Valderrama	First Vice President and Brand/Product and Regional Projects Head – MRB and MM/Luzon MRB
Atty. Katrina O. Clemente-Lua	Corporate Secretary and Corporate Information Officer

Name	Position
Atty. Jennifer C. Lee	Assistant Corporate Secretary
Mr. Michael Louie T. Garado	(Acting) Chief Audit Executive
Mr. Raymond Wilfred L. Castañeda	Data Privacy Officer
Ms. Melissa C. Ortiz	Investor Relations Officer

Representatives of the Independent External Auditor – SyCip Gorres Velayo & Co. (“SGV & Co.”):

Name
Mr. Wilson P. Tan
Ms. Maria Vivian C. Ruiz
Ms. Wanessa Salvador
Mr. Michael C. Sabado
Ms. Jane Carol U. Chiu
Mr. Marlon Quero
Ms. Jo Bienne A. Peralta

Representative of the Stock Transfer Agent – Stock Transfer Service, Inc. (“STSI”):

Name
John Kristofer Paolo L. Herrera

II. CALL TO ORDER

The Chairman of the Board of Filinvest Land, Inc. (the “Company”, the “Corporation” or “FLI”), Mr. Jonathan T. Gotianun, presided over the meeting, while the Corporate Secretary, Ms. Katrina O. Clemente-Lua, recorded the minutes thereof.

After the national anthem, the Chairman called the meeting to order and introduced the members of the Board. The Chairman also acknowledged the presence of the new nominees for election to the Board of Directors, the Company’s senior management officers, representatives of SGV & Co., and representatives of STSI, who joined the meeting through the live webcast.

III. CERTIFICATION OF SERVICE OF NOTICE AND QUORUM

The Chairman then requested the Corporate Secretary to report on the service of notice of the meeting, and whether there was a quorum at the meeting. The Corporate Secretary confirmed that, in accordance with the Securities and Exchange Commission (“SEC”) Notice dated 23 February 2024, the notice of the meeting, together with a copy of the Information Statement and the Audited Financial Statements, was posted on the Company’s website and disclosed through PSE EDGE. The Notice of Meeting was also published in the business sections of the Philippine Daily Inquirer and Business World on 21 March 2024, and 22 March 2024, respectively, both in print and online.

Based on the online registration and proxies received by the Office of the Corporate Secretary, which was tabulated with the assistance of the Company’s stock

and transfer agent, Stock Transfer Service, Inc., the Corporate Secretary certified that out of the 24,249,759,506 common shares and 8,000,000,000 preferred shares of stock or a total of 32,249,759,506 shares outstanding shares of the Company as of the record date or on 08 March 2024, 25,740,028,563 shares representing 79.81% of the total issued and outstanding shares of the Company were present at the meeting.

There being a quorum, the Chairman declared the meeting duly convened and open for business.

IV. INSTRUCTIONS ON THE RULES AND CONDUCT OF VOTING PROCEDURES

The Chairman noted that while the Company is holding the meeting in virtual format, the Company endeavored to provide the stockholders the opportunity to participate in the meeting to the same extent possible as in an in-person meeting. He then asked the Corporate Secretary to share the rules of conduct and voting procedures for the meeting.

The Corporate Secretary explained that the rules of conduct and voting procedures were set forth in the Definitive Information Statement and in the Explanation of Agenda Items which forms part of the Notice of the Annual Stockholders' Meeting. She highlighted the following points:

1. Stockholders who successfully registered under the shareholders' registration system were provided the instructions to access the digital voting ballot as well as the virtual meeting;
2. The deadline for voting *in absentia* and through proxy was on 10 April 2024;
3. After the voting, the Office of the Corporate Secretary, together with the Company's stock transfer agent, tabulated all the votes cast *in absentia* as well as *via* proxy;
4. The results of the voting will be reported after each item is taken up during the meeting; and
5. The stockholders were also given up to 10 April 2024 to submit any questions or comments they may have.

She further informed all the participants of the meeting that there would be a visual and audio recording of the entire proceedings.

V. APPROVAL OF THE MINUTES OF THE ANNUAL STOCKHOLDERS' MEETING HELD ON 24 APRIL 2023

The Chairman inquired if copies of the minutes of the Annual Stockholders' Meeting held on 24 April 2023 were furnished to the stockholders.

The Corporate Secretary certified that an electronic copy of the minutes was included in the Information Statement of this year's Annual Stockholders' Meeting and was made available on the Company's website. She reported that the resolution below was approved by at least a majority of the stockholders present or represented in the meeting, viz:

“RESOLVED, That the Minutes of the Annual Stockholders’ Meeting of the Company held on 24 April 2023 is hereby approved.”

The votes received for the adoption of the foregoing resolution are as follows:

	For	Against	Abstain
Number of Shares Voted	25,739,912,848	-	-
Percentage of Votes	99.9996%	-	-

VI. PRESENTATION OF THE MANAGEMENT’S REPORT

The pre-recorded report of the Company’s President and CEO, Mr. Tristaneil D. Las Marias, on the Company’s operations for the year ended 31 December 2023 and outlook for the year 2024, was then presented.

Thereafter, the President and CEO announced to the stockholders that, during the special meeting of the Board of Directors held immediately preceding the Annual Stockholders’ Meeting, the Board of Directors approved the declaration of cash dividends from the unrestricted retained earnings of the Company as of 31 December 2023: (i) for common shares, regular cash dividends of Php0.05 per share representing a dividend payout ratio of 32%; and (ii) for preferred shares, cash dividends of Php0.0005 per share. Dividends are payable on 5 June 2024 for stockholders of record as of 13 May 2024.

The Chairman thanked the President for his report, then proceeded to the next item in the agenda which was the ratification of the 2023 Audited Financial Statements.

VII. RATIFICATION OF THE AUDITED FINANCIAL STATEMENTS AS OF AND FOR THE YEAR ENDED 31 DECEMBER 2023

The Chairman asked the Corporate Secretary if the stockholders were furnished a copy of the 2023 Audited Financial Statements.

The Corporate Secretary responded that an electronic copy of the 2023 Audited Financial Statements was made available on the Company’s website as well as attached to the Information Statement. She reported that the resolution below was approved by at least a majority of the stockholders present or represented in the meeting, viz:

“RESOLVED, That the Company’s Audited Financial Statements as of and for the year ended 31 December 2023 is hereby approved, confirmed and ratified.”

The votes received for the adoption of the foregoing resolution are as follows:

	For	Against	Abstain
Number of Shares Voted	25,726,322,098	-	13,590,750
Percentage of Votes	99.9468%	-	0.0528%

VIII. GENERAL RATIFICATION OF ALL THE ACTS, RESOLUTIONS AND PROCEEDINGS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES AND MANAGEMENT UP TO 19 APRIL 2024

The next item in the agenda was the ratification of all the acts, resolutions and proceedings of the Board, Board Committees and Management from the date of the last Annual Stockholders' Meeting until 19 April 2024, a summary of which was included in the Information Statement sent to all the stockholders of record prior to the Annual Stockholders' Meeting.

The Corporate Secretary reported that the resolution below was approved by at least a majority of the stockholders present or represented in the meeting, viz:

“RESOLVED, That all the acts, resolutions and proceedings of the Board of Directors, Board Committees and Management from the date of the last Annual Stockholders' Meeting until 19 April 2024 are hereby approved, confirmed and ratified.”

The votes received for the adoption of the foregoing resolution are as follows:

	For	Against	Abstain
Number of Shares Voted	25,726,322,098	-	13,590,750
Percentage of Votes	99.9468%	-	0.0528%

IX. ELECTION OF DIRECTORS

The Chairman announced that the next item in the Agenda was the election of nine (9) directors, including three (3) independent directors of the Company for the year 2024 to 2025.

As requested by the Chairman, the Corporate Secretary announced the names of the persons nominated for election as directors and independent directors of the Company and who were pre-screened by the Corporate Governance Committee, convened as the Nominations Committee, in accordance with the Company's Revised Manual on Corporate Governance and Amended By-Laws, viz:

Directors:

1. Mr. Jonathan T. Gotianun
2. Ms. Lourdes Josephine Gotianun Yap
3. Mr. Francis Nathaniel C. Gotianun
4. Mr. Michael Edward T. Gotianun
5. Ms. Rhoda A. Huang
6. Mr. Tristaneil D. Las Marias

Independent Directors:

7. Dr. Ernesto S. De Castro
8. Mr. Gemilo J. San Pedro
9. Atty. Ephyro Luis B. Amatong

The Corporate Secretary reported that the resolution below was approved by at least a majority of the stockholders present or represented in the meeting, viz:

“RESOLVED, That the following persons are hereby declared as duly-elected directors of the Company, to serve for a term of one (1) year or until their successors shall have been elected and qualified in accordance with the By-Laws of the Company:

1. Mr. Jonathan T. Gotianun
2. Ms. Lourdes Josephine Gotianun Yap
3. Mr. Francis Nathaniel C. Gotianun
4. Mr. Michael Edward T. Gotianun
5. Ms. Rhoda A. Huang
6. Mr. Tristaneil D. Las Marias

Independent Directors:

7. Dr. Ernesto S. De Castro
8. Mr. Gemilo J. San Pedro
9. Atty. Ephyro Luis B. Amatong.”

The votes received by each of the nominees are presented below:

Nominee	For	Against	Abstain
Jonathan T. Gotianun	25,589,632,848	48,910,000	101,370,000
Lourdes Josephine Gotianun Yap	25,589,632,848	48,910,000	101,370,000
Francis Nathaniel C. Gotianun	25,739,912,848	-	-
Michael Edward T. Gotianun	25,739,912,848	-	-
Rhoda A. Huang	25,738,861,848	1,051,000	-
Tristaneil D. Las Marias	25,739,912,848	-	-
Ernesto S. De Castro (Independent Director)	25,739,912,848	-	-
Gemilo J. San Pedro (Independent Director)	25,739,912,848		
Ephyro Luis B. Amatong (Independent Director)	25,739,912,848		

The Chairman extended his sincere appreciation to Atty. Efren C. Gutierrez and Atty. Val Antonio B. Suarez for their longstanding and invaluable contributions to the Board.

The Chairman warmly welcomed Ms. Rhoda A. Huang and Atty. Ephyro Luis B. Amatong as new directors of FLI.

X. APPOINTMENT OF INDEPENDENT EXTERNAL AUDITOR

The Chairman announced the next item in the Agenda which was the appointment of an independent external auditor. He stated that the Company’s Audit and Risk Management Oversight Committee and the Board have endorsed the re-

appointment of the auditing firm of SyCip Gorres Velayo & Company as the Company's external auditor for the year 2024, as follows:

“RESOLVED, That the accounting firm of SyCip Gorres Velayo and Co. (SGV & Co.) be approved for re-appointment as the Company's external auditor for the year 2024.”

The votes received for the adoption of the foregoing resolution are as follows:

	For	Against	Abstain
Number of Shares Voted	25,728,802,848	11,110,000	-
Percentage of Votes	99.9564%	0.0432%	-

XI. OTHER MATTERS

After confirming with the Corporate Secretary that there were no other matters that require consideration by the stockholders, the Chairman inquired whether there were questions or comments raised by the stockholders, and requested the Corporate Secretary to read aloud the questions and comments, if any. The President and CEO was then requested by the Chairman to respond to such questions or comments.

The Corporate Secretary stated that stockholders were given up to 10 April 2024 to submit any questions or comments they may have on the materials distributed to all stockholders of record for this year's Annual Stockholders' Meeting.

The following questions were raised by the stockholders:

1. Your residential business is doing very well. We want to know what your plans will be for 2024 and the next 2 years for this business.

Mr. Las Marias replied that, for 2024, FLI is planning to launch P25 billion worth of residential projects which aims to provide optimize the Company's land bank and sustain its strong market presence in cities where the Company is already present. In Cavite, FLI will launch its first mid-rise condominium community project in Bacoar and upgrade its Wood Estate residential township in Trece Martires with commercial shops, transport terminals, and affordable low-rise condominium developments.

Similarly, FLI will also launch a new residential township in Leganes, Iloilo, called IloiIo Centrale, which will also have supermarkets, day care centers, public transport terminals, and in recognition of IloiIo as the football capital of the Philippines, it will also have a huge park and football playing field that will be open to the public. IloiIo Centrale will also offer FLI's first walk-up project which will provide very affordable condominium units located in a complete residential township development that provides a huge park, outdoor sports and social events activity areas, and modern amenities at very affordable prices.

FLI also kept a balanced geographic portfolio for the Company's residential business by exploiting residential business opportunities in key cities in Visayas and Mindanao. FLI's launch plan for 2024 will clearly support this strategy.

FLI will open several mid-rise condo buildings in Dumaguete City, Zamboanga City, and General Santos City to sustain the Company's strong market performance, as well as open taller condo buildings in Cebu City and Davao City to match the growing market potentials in these highly-urbanized cities and optimize FLI's land bank values.

The Company saw the huge unserved demand in housing and FLI plans to continue to offer affordable housing projects in Rizal, Cavite, Laguna, Bataan, Zamboanga and other second class cities in Visayas and Mindanao with the intent to make housing accessible to as much government and private workers within the mass market income bracket and help more Filipinos build their dreams.

2. May we know your plans for New Clark City?

Mr. Las Marias stated that New Clark City is the location of FLI's New Clark City Estate project which is a joint venture between Filinvest Land and Bases Conversion and Development Authority. Part of the Company's land use and product offering within the estate is the New Clark City Innovation Park which offers long term lease packages for industrial lots and ready built factories.

Mr. Las Marias reported that there is already a locator inside this Innovation Park project which is scheduled to start business operation middle of 2024. FLI is planning on completing nine (9) additional Ready-Built Factories or a total of twelve thousand five hundred (12,500) sq.m. of built factory spaces that will be made available in the next two (2) years. There are also about fifty-five (55) hectares of land available for long term lease.

Also in the pipeline inside the Estate is the development of a mixed-use, commercial, and several public open spaces blocks which will support the needs of the industrial locators, offices and schools within the National Government Administrative Center.

XII. ADJOURNMENT

Prior to the adjournment, a video presentation was shown on the activities undertaken by the Filinvest Group to support its employees and communities.

There being no further business to transact, the Chairman declared the meeting adjourned. He conveyed his gratitude to the stockholders for attending the meeting and for their continued trust and confidence in the Company and the Management.

CERTIFIED CORRECT:


KATRINA O. CLEMENTE-LUA
Corporate Secretary

ATTESTED BY:

JONATHAN T. GOTIANUN
Chairman of the Board

ANNEX “E”

2025 ANNUAL STOCKHOLDERS MEETING

FILINVEST LAND, INC.

REQUIREMENTS AND PROCEDURE FOR ELECTRONIC VOTING *IN ABSENTIA* AND PARTICIPATION BY REMOTE COMMUNICATION

I. REGISTRATION

Filinvest Land, Inc. (the “Company”) established a designated website in order to facilitate the registration of and voting *in absentia* by the stockholders at the annual meeting, as provided under Sections 23 and 57 of the Revised Corporation Code.

- a. Stockholders as of 28 February 2025 may access the stockholder registration system at the web address: https://shareholders.filinvest.com.ph/FLI_SHAREHOLDERSYSTEM. The deadline for registration is 14 April 2025.
- b. To register, the stockholders are required to provide the following supporting documents:
 - i. For Individual Stockholders:
 1. A scanned copy of the stockholder’s valid government-issued ID showing photo, signature and personal details, preferably with residential address (in JPG format). The file size should be no larger than 2MB;
 2. A valid and active e-mail address; and
 3. A valid and active contact number.
 - ii. For Individual Stockholders with Joint Accounts:
 1. A scanned copy of an authorization letter signed by all stockholders, identifying who among them is authorized to cast the vote for the account;
 2. A scanned copy of the authorized stockholder’s valid government-issued ID showing photo, signature and personal details, preferably with residential address (in JPG format). The file size should be no larger than 2MB;
 3. A valid and active e-mail address; and
 4. A valid and active contact number.
 - iii. For Individual Stockholders under Broker Accounts:
 1. A broker’s certification on the stockholder’s number of shareholdings;
 2. A scanned copy of the stockholder’s valid government-issued ID showing photo, signature and personal details, preferably with residential address (in JPG format). The file size should be no larger than 2MB;
 3. A valid and active e-mail address; and
 4. A valid and active contact number.

iv. For Corporate Stockholders:

- a. A secretary's certificate attesting to the authority of the representative to vote for, and on behalf of the corporation;
- b. A scanned copy of a valid government-issued ID of the stockholder's representative showing photo, signature and personal details, preferably with residential address (in JPG format). The file size should be no larger than 2MB;
- c. A valid and active e-mail address of the stockholder's representative; and
- d. A valid and active contact number of the stockholder's representative.

Important Note: Incomplete or inconsistent information may result in unsuccessful registration. As a result, stockholders will not be able to access to vote electronically in absentia, but may still vote through a proxy, by submitting a duly accomplished proxy form on or before 14 April 2025.

- c. After registration, the Company, together with its stock transfer agent, Stock Transfer Service, Inc. ("STSI") will conduct the validation process. Upon validation, the Company will send an email to the stockholder, which shall be sent to the email address of the stockholder indicated in the registration form, containing instructions for voting *in absentia* and remote attendance for the meeting.

II. ELECTRONIC VOTING IN ABSENTIA

- a. Registered stockholders have until 14 April 2025, 11:59 PM (Philippine time) to cast their votes *in absentia*.
- b. All agenda items indicated in the Notice of Meeting will be set out in the digital absentee ballot and the registered stockholder may vote as follows:
 - i. For items other than the election of directors, the registered stockholder has the option to vote: For, Against, or Abstain. The vote is considered cast for all the stockholder's shares.
 - ii. For the election of directors, the registered stockholder has the option to:
 - a. Distribute his votes equally among all the candidates;
 - b. Abstain;
 - c. Cast such number of votes for each nominee as preferred by the stockholder, provided that the total number of votes cast shall not exceed the number of shares owned, multiplied by the number of directors to be elected. Should the votes cast by the stockholder exceed the number of votes he is entitled to, the votes for each nominee shall be reduced in equal proportion, rounded down to the nearest whole number. Any balance shall be considered abstained.

Once voting on the agenda items is finished, the registered stockholder can proceed to submit the accomplished ballot by clicking the "Submit" button.

The Office of the Corporate Secretary of the Company, with the assistance of representatives of the Company's stock transfer agent, STSI, will count and tabulate the votes cast *in absentia* together with the votes cast by proxy.

During the meeting, the Corporate Secretary shall report the votes received and inform the stockholders if the

particular agenda item is carried or disapproved. The total number of votes cast for each item for approval and/or ratification under the agenda will be shown on the screen.

III. PARTICIPATION BY REMOTE COMMUNICATION

- a. Prior to the meeting, the Company will send email instructions to those stockholders who have successfully registered, which shall be sent to the email address of the stockholder indicated in the registration form, on how they can attend the meeting through remote communication and have access to the livestream of the meeting.
- b. Only those stockholders who successfully registered in the stockholder registration system, together with the stockholders who voted *in absentia* or by proxy, will be included in determining the existence of a quorum.
- c. Stockholders may send any questions and/or comments relating to the agenda on or before 14 April 2025 to FLIASM@filinvestland.com. Questions or comments received on or before 14 April 2025 may be responded to during the meeting. Any questions not answered during the meeting may be answered via email.
- d. Stockholders who register and vote on the website for voting in absentia are hereby deemed to have given their consent to the collection, use, storing, disclosure, transfer, sharing and general processing of their personal data by the Company and by any other relevant third party for the purpose of electronic voting *in absentia* for the Annual Stockholders' Meeting and for all other purposes for which the stockholder can cast his/her/its vote as a stockholder of the Company.

For any clarifications, please contact us through FLIASM@filinvestland.com.