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S.E.C. Registration Number

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(Company's Full Name)

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(Business Address: No. Street City / Town / Province)

Josephine G. de Asis

Contact Person

(632) 7908-3000

Company Telephone Number

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Month

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Day

Fiscal Year

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FORM TYPE

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Annual Meeting

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Secondary License Type, If Applicable

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Amended Articles Number/Section

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Total No. of Stockholders

Total Amount of Borrowings
₱16.0 billion bonds

Domestic

₱-

Foreign

To be accomplished by SEC Personnel concerned

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AYALA CORPORATION

(Company's Full Name)

**37F to 39F, Ayala Triangle Gardens Tower 2
Paseo de Roxas corner Makati Avenue
Makati City**

(Company's Address)

(632) 7908-3000

(Telephone Number)

September 30, 2025

(Fiscal Year Ending)
(Month & Day)

SEC Form 17-Q Quarterly Report

(Form Type)

SECURITIES AND EXCHANGE COMMISSION (SEC)

SEC FORM 17-Q

**QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE
(SRC) AND SRC RULE 17(2)(b) THEREUNDER**

1. For the quarterly period ended: **September 30, 2025**
2. SEC Identification No.: **34218**
3. BIR Tax Identification No.: **000-153-610-000**
4. Exact name of the registrant as specified in its charter: **AYALA CORPORATION**
5. Province, country or other jurisdiction of incorporation or organization: **Makati City, Philippines**
6. Industry Classification Code: _____ (SEC Use Only)
7. Address of principal office: **37F to 39F, Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Makati Avenue, Makati City** Postal Code: **1226**
8. Registrant's telephone number: **(632) 7908-3000**
9. Former name, former address, former fiscal year: Not applicable
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sections 4 and 8 of the RSA:

Title of each class	Number of shares issued and outstanding As of September 30, 2025
Preferred A	0*
Preferred A (reissued) (ACPAR)	5,244,515
Preferred B	0**
Preferred B Series 3 (ACPB3)	7,500,000
Preferred B Series 4 (ACPB4)	10,000,000
Voting Preferred	200,000,000
Common	622,036,976***

*net of 6,755,485 treasury shares

**net of 40,500,000 treasury shares

***net of 14,174,701 treasury shares

Amount of debt outstanding as of September 30, 2025: **₱16.0 billion in bonds******

****amount represents only the debt of Ayala Corporation registered with the Philippine SEC. The debt of subsidiaries registered with the SEC are reported in their respective SEC 17-Q reports.

11. Are any or all of these securities listed in the Philippine Stock Exchange? Yes ☒ No ☐

As of September 30, 2025, a total of 629,111,449 common shares, 12,000,000 Preferred A (Preferred A and "ACPAR") shares, 40,500,000 Preferred B shares, 7,500,000 preferred B series 3 ("ACPB3") shares, and 10,000,000 Preferred B series 4 ("ACPB4") shares are listed in the Philippine Stock Exchange ("PSE"). A total of 14,174,701 common shares, 6,755,485 Preferred A shares, and 40,500,000 Preferred B shares are held in Treasury by the Company.

12. Check whether the registrant:

- a. has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11 (a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding 12 months (or for such shorter period that the registrant was required to file such reports): Yes ☒ No ☐
- b. has been subject to such filing requirements for the past 90 days: Yes ☒ No ☐

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The unaudited interim condensed consolidated financial statements and other parts of the entire SEC 17-Q Report as of September 30, 2025 makes reference to certain financial information and disclosures in the December 31, 2024* annual audited consolidated financial statements. This SEC 17-Q Report should be read in conjunction with that Group's financial statements*.

This SEC 17-Q Report also includes financial and operating data with respect to Ayala's material listed subsidiaries – Ayala Land, Inc. (ALI), Integrated Micro-Electronics, Inc. (IMI), and AC Energy and Infrastructure Corporation (ACEIC) with key subsidiary ACEN Corporation (ACEN), associates – Bank of the Philippine Islands (BPI), and joint venture – Globe Telecom, Inc. (Globe). This SEC 17-Q Report should be read in conjunction with the financial information and operating highlights of these investees contained in their respective December 31, 2024 audited financial statements and SEC 17-A reports and September 30, 2025 SEC 17-Q reports, as applicable.**

**The audited consolidated financial reports and SEC 17-A Report of Ayala Corporation and Subsidiaries (the Group) as of December 31, 2024 and the SEC 17-Q Report as of September 30, 2025 are available at the Parent Company's website www.ayala.com. Also, the Group's Sustainability Report is posted in the Parent Company's official website with the following link: https://ayala.com/app/uploads/2025/04/Ayala_IR2024_Full-Report_1004.pdf.*

***The audited consolidated financial reports and SEC 17-A Reports as of December 31, 2024 as well as SEC 17-Q report as of September 30, 2025, as applicable, of the following companies under the Group are available in the following websites: ALI www.ayalaland.com.ph, IMI www.global-imi.com, ACEIC/ACEN www.acenrenewables.com, BPI www.bpi.com.ph, and Globe www.globe.com.ph.*

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PART I - FINANCIAL INFORMATION

Section 1. Financial Statements

Ayala Corporation and Subsidiaries

**Unaudited Interim Condensed Consolidated Financial Statements
As at September 30, 2025 (with Comparative Audited Figures as at December 31, 2024)
and for the Nine Months Ended September 30, 2025 and 2024**

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As at September 30, 2025 (with Comparative Audited Figures as at December 31, 2024)
(Amounts in Thousands)

	September 2025 (Unaudited)	December 2024 (Audited)
ASSETS		
Current Assets		
Cash and cash equivalents (Note 4)	₱76,481,532	₱75,501,736
Short-term investments (Note 5)	954,308	723,567
Accounts and notes receivable (Note 6)	163,982,901	158,358,122
Inventories (Note 7)	266,129,342	247,752,784
Other current assets (Note 8)	106,418,871	102,226,309
Total Current Assets	613,966,954	584,562,518
Noncurrent Assets		
Noncurrent accounts and notes receivable (Note 6)	159,431,296	151,065,379
Investments in associates and joint ventures (Note 10)	422,517,383	401,221,558
Investment properties (Note 12)	277,236,713	262,903,806
Property, plant and equipment (Note 12)	199,525,221	178,131,222
Right-of-use assets (Note 9)	23,074,877	24,562,118
Intangible assets (Note 11)	40,019,180	39,383,400
Deferred tax assets - net (Note 11)	18,974,566	20,220,095
Other noncurrent assets (Note 8)	97,403,029	87,275,626
Total Noncurrent Assets	1,238,182,265	1,164,763,204
Total Assets	₱1,852,149,219	₱1,749,325,722
LIABILITIES AND EQUITY		
Current Liabilities		
Short-term debt (Note 15)	₱94,193,799	₱75,556,284
Accounts payable and accrued expenses (Note 13)	239,603,302	223,662,212
Income tax payable	771,065	820,441
Current portion of:		
Long-term debt (Note 15)	52,710,415	60,875,018
Lease liabilities (Note 9)	3,596,694	4,647,964
Other current liabilities (Note 14)	22,608,277	23,728,590
Total Current Liabilities	413,483,552	389,290,509
Noncurrent Liabilities		
Long-term debt - net of current portion (Note 15)	536,850,668	530,327,828
Lease liabilities - net of current portion (Note 9)	29,319,195	28,794,012
Deferred tax liabilities - net	14,192,790	15,383,250
Pension liabilities	5,678,344	5,952,305
Other noncurrent liabilities (Note 14)	60,394,499	53,996,098
Total Noncurrent Liabilities	646,435,496	634,453,493
Total Liabilities	1,059,919,048	1,023,744,002
Equity		
Equity attributable to owners of the Parent Company:		
Paid-in capital (Note 16)	112,383,134	93,384,205
Other comprehensive income (loss):		
Remeasurement losses on defined benefit plans	(6,602,274)	(6,618,373)
Fair value reserve of financial assets at fair value through other comprehensive income (FVOCI)	(1,499,123)	(3,126,991)
Cumulative translation adjustments	6,939,931	4,411,444
Equity reserve (Note 3)	26,384,343	25,476,033
Retained earnings (Note 16)	376,892,655	335,194,299
Treasury stock	(14,193,867)	(14,220,992)
	500,304,799	434,499,625
Non-controlling interests (Note 3)	291,925,372	291,082,095
Total Equity	792,230,171	725,581,720
Total Liabilities and Equity	₱1,852,149,219	₱1,749,325,722

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Amounts in Thousands, except Earnings per Share Figures)

	2025		2024	
	Jul. to Sep.	Jan. to Sep.	Jul. to Sep.	Jan. to Sep.
REVENUE (Note 18)				
Rendering of services	₱38,589,594	₱118,343,767	₱43,254,263	₱133,599,002
Sale of goods	39,726,770	120,257,581	32,983,256	99,277,808
Share in net profits of associates and joint ventures	12,885,363	36,099,250	12,272,274	35,576,104
	91,201,727	274,700,598	88,509,793	268,452,914
COSTS AND EXPENSES				
Costs of rendering services	25,564,237	86,270,495	30,891,232	100,665,138
Costs of goods sold	31,058,831	85,820,152	23,533,127	68,021,386
General and administrative expenses (Notes 6, 7, 11 and 12)	9,752,602	31,026,464	10,145,486	37,784,270
	66,375,670	203,117,111	64,569,845	206,470,794
OTHER INCOME (CHARGES) - net				
Interest income	2,951,801	8,990,822	3,037,060	9,113,577
Other income (Notes 3 and 10)	12,301,143	16,184,005	1,050,271	10,913,722
Interest and other financing charges (Note 15)	(9,931,263)	(29,251,157)	(8,759,167)	(24,976,391)
	5,321,681	(4,076,330)	(4,671,836)	(4,949,092)
INCOME BEFORE INCOME TAX	30,147,738	67,507,157	19,268,112	57,033,028
PROVISION FOR INCOME TAX				
Current	1,222,778	5,715,628	(29,105)	5,165,181
Deferred	840,064	691,550	2,200,399	2,259,974
	2,062,842	6,407,178	2,171,294	7,425,155
NET INCOME	₱28,084,896	₱61,099,979	₱17,096,818	₱49,607,873
Net income attributable to:				
Owners of the Parent Company	₱22,907,929	₱46,265,477	₱11,678,264	₱33,964,751
Non-controlling interests	5,176,967	14,834,502	5,418,554	15,643,122
	₱28,084,896	₱61,099,979	₱17,096,818	₱49,607,873
EARNINGS PER SHARE (Note 17)				
Basic	₱35.53	₱71.58	₱18.18	₱52.77
Diluted	₱35.51	₱71.52	₱18.18	₱52.77

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(Amounts in Thousands)

	2025		2024	
	Jul. to Sep.	Jan. to Sep.	Jul. to Sep.	Jan. to Sep.
NET INCOME	₱28,084,896	₱61,099,979	₱17,096,818	₱49,607,873
OTHER COMPREHENSIVE INCOME (LOSS)				
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</i>				
Net exchange differences arising from translations of foreign investments	904,918	3,370,858	1,454,399	5,287,443
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>				
Net changes in fair values of financial assets at FVOCI	(244,417)	(1,053,889)	(3,037,581)	(4,163,336)
Net remeasurement gains (losses) on defined benefit plans	(21,638)	58,234	(297,580)	(233,905)
Tax effect relating to components of other comprehensive income	5,409	(14,559)	74,395	58,476
	644,272	2,360,644	(1,806,367)	948,678
SHARE IN OTHER COMPREHENSIVE INCOME (LOSS) OF ASSOCIATES AND JOINT VENTURES				
<i>Other comprehensive income (loss) to be reclassified to profit or loss in subsequent periods</i>				
Net exchange differences arising from translations of foreign investments	1,027,565	170,071	(883,893)	319,576
<i>Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods</i>				
Net changes in fair values of financial assets at FVOCI	1,692,828	2,216,910	4,370,426	3,304,407
Net remeasurement gains (losses) on defined benefit plans	33,875	(23,603)	80,279	457,646
	2,754,268	2,363,378	3,566,812	4,081,629
TOTAL OTHER COMPREHENSIVE INCOME (LOSS) NET OF TAX	3,398,540	4,724,022	1,760,445	5,030,307
TOTAL COMPREHENSIVE INCOME	₱31,483,436	₱65,824,001	₱18,857,263	₱54,638,180
Total comprehensive income attributable to:				
Owners of the Parent Company	₱26,166,523	₱50,389,506	₱13,054,213	₱38,300,004
Non-controlling interests	5,316,913	15,434,495	5,803,050	16,338,176
	₱31,483,436	₱65,824,001	₱18,857,263	₱54,638,180

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Periods Ended September 30, 2025 and 2024 (with Comparative Audited Figures for the Year Ended December 31, 2024)
(Amounts in Thousands)

	EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY								Non-controlling Interests (Notes 3 and 16)	Total Equity
	Other Comprehensive Income				Equity Reserve (Note 3)	Retained Earnings (Note 16)	Treasury Stock (Note 16)	Total		
	Paid-in Capital (Note 16)	Net Remeasurement Gains (Losses) on Defined Benefit Plans	Fair Value Reserve of Financial Assets at FVOCI	Cumulative Translation Adjustments						
For the Period Ended September 30, 2025 (Unaudited)										
As of January 1, 2025 (Audited)	₱93,384,205	(₱6,618,373)	(₱3,126,991)	₱4,411,444	₱25,476,033	₱335,194,299	(₱14,220,992)	₱434,499,625	₱291,082,095	₱725,581,720
Net income	-	-	-	-	-	46,265,477	-	46,265,477	14,834,502	61,099,979
Share in other comprehensive income (loss) of associates and joint ventures	-	(23,603)	2,216,910	170,071	-	-	-	2,363,378	-	2,363,378
Other comprehensive income (loss)	-	39,702	(637,467)	2,358,416	-	-	-	1,760,651	599,993	2,360,644
Reclassification of fair value loss of investment in equity securities at FVOCI	-	-	48,425	-	-	(48,425)	-	-	-	-
Total comprehensive income (loss)	-	16,099	1,627,868	2,528,487	-	46,217,052	-	50,389,506	15,434,495	65,824,001
Exercise of ESOP/ESOWN - net of issuance cost	39,877	-	-	-	-	-	-	39,877	-	39,877
Buyback of common shares	-	-	-	-	-	-	(972,875)	(972,875)	-	(972,875)
Reissuance of preferred shares - net of issuance cost	18,841,277	-	-	-	-	-	1,000,000	19,841,277	-	19,841,277
Cash dividends	-	-	-	-	-	(4,504,158)	-	(4,504,158)	(1,739,494)	(6,243,652)
Collection of subscription receivables	117,775	-	-	-	-	-	-	117,775	-	117,775
Change in non-controlling interests/statutory merger	-	-	-	-	908,310	(14,538)	-	893,772	(12,851,724)*	(11,957,952)
At September 30, 2025 (Unaudited)	₱112,383,134	(₱6,602,274)	(₱1,499,123)	₱6,939,931	₱26,384,343	₱376,892,655	(₱14,193,867)	₱500,304,799	₱291,925,372	₱792,230,171

*Significantly includes ALI's buyback of common shares, ACEIC's purchase of ACEN's shares and ACEN's acquisition of Negros Island Solar Power, Inc. (ISLASOL) shares from Asian Energy Impact Trust Plc (AEIT) (see Note 3).

EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY

	Other Comprehensive Income									
	Paid-in Capital (Note 16)	Net Remeasurement Gains (Losses) on Defined Benefit Plans	Fair Value Reserve of Financial Assets at FVOCI	Cumulative Translation Adjustments	Equity Reserve	Retained Earnings	Treasury Stock	Total	Non- controlling Interests	Total Equity
For the Period Ended September 30, 2024 (Unaudited)										
As of January 1, 2024 (Audited)	₱91,233,753	(₱6,611,128)	(₱66,256)	₱3,295,297	₱25,350,330	₱297,882,907	(₱14,546,351)	₱396,538,552	₱278,402,809	₱674,941,361
Effect of adoption of PFRS 15 for real estate	—	—	—	—	—	(58,252)	—	(58,252)	236,194	177,942
As of January 1, 2024 (as Restated)	91,233,753	(6,611,128)	(66,256)	3,295,297	25,350,330	297,824,655	(14,546,351)	396,480,300	278,639,003	675,119,303
Net income	—	—	—	—	—	33,964,751	—	33,964,751	15,643,122	49,607,873
Share in other comprehensive income (loss) of associates and joint ventures	—	457,646	3,304,407	319,576	—	—	—	4,081,629	—	4,081,629
Other comprehensive income (loss)	—	(58,012)	(4,222,289)	4,533,925	—	—	—	253,624	695,054	948,678
Reclassification of fair value gain of investment in equity securities of FVOCI	—	—	(213,749)	(1,591,913)	—	1,805,662	—	—	—	—
Total comprehensive income (loss)	—	399,634	(1,131,631)	3,261,588	—	35,770,413	—	38,300,004	16,338,176	54,638,180
Exercise of ESOP/ESOWN	77,116	—	—	—	—	—	—	77,116	—	77,116
Sale of treasury common shares	(380,242)	—	—	—	—	—	2,575,359	2,195,117	—	2,195,117
Cost of reissuance of preferred shares	(22,214)	—	—	—	—	—	—	(22,214)	—	(22,214)
Property dividends adjustment	—	—	—	—	—	—	—	—	847,290	847,290
Cash dividends	—	—	—	—	—	(3,775,204)	—	(3,775,204)	(1,462,779)	(5,237,983)
Collection of subscription receivables	177,428	—	—	—	—	—	—	177,428	—	177,428
Change in non-controlling interests	—	—	—	—	1,442,889	—	—	1,442,889	(4,362,903)	(2,920,014)
At September 30, 2024 (Unaudited)	₱91,085,841	(₱6,211,494)	(₱1,197,887)	₱6,556,885	₱26,793,219	₱329,819,864	(₱11,970,992)	₱434,875,436	₱289,998,787	₱724,874,223

Other Comprehensive Income

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

AYALA CORPORATION AND SUBSIDIARIES
UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
For the Periods Ended September 30, 2025 and 2024
(Amounts in Thousands)

	For the Periods Ended September 30	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before income tax	₱67,507,157	₱57,033,028
Adjustments for:		
Interest and other financing charges - net of amount capitalized	29,251,157	24,976,391
Depreciation and amortization	13,511,429	12,681,287
Cost of share-based payments	40,097	77,116
Provision for impairment/ losses on:		
Investments in equity (Note 10)	975,757	8,399,897
Receivables (Note 6)	4,228,731	1,261,982
Inventory obsolescence (Note 7)	34,279	374,318
Intangibles, property, plant and equipment and other provisions (Notes 3, 11 and 12)	613,037	2,047,040
Mark-to-market gain on financial assets at fair value through profit or loss (FVTPL) and derivative contracts	21,514	(31,969)
Dividend and other investment income	(2,394,963)	(7,253,885)
Remeasurement gain on previously held interest (Note 3)	(10,409,003)	—
Gain on sale of:		
Investments	(236,758)	(646,499)
Other assets	2,593	(526,732)
Interest income	(8,990,822)	(9,113,577)
Share in net profit of associates and joint ventures	(36,099,251)	(35,576,104)
Operating income before changes in operating assets and liabilities	58,054,954	53,702,293
Decrease (increase) in:		
Accounts and notes receivable - trade	(13,558,959)	(20,782,950)
Inventories	(16,510,003)	(4,192,494)
Other current assets	(6,733,253)	(1,376,304)
Increase (decrease) in:		
Accounts payable and accrued expenses	16,135,813	(923,244)
Net pension liabilities	(94,938)	43,450
Other current liabilities	(1,106,731)	(3,073,266)
Cash generated from operations	36,186,883	23,397,485
Interest received	5,633,786	6,638,335
Interest paid	(21,210,988)	(17,209,387)
Income tax paid	(6,062,349)	(5,273,401)
Net cash provided by operating activities	14,547,332	7,553,032
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from:		
Sale/maturities of financial assets at FVOCI	1,139	1,280,798
Sale/maturities of financial assets at FVTPL (Note 8)	13,401,068	1,150,542
Sale/maturities of financial assets at amortized cost	—	3,446,071
Sale/disposal of investments in subsidiaries, associates and joint ventures (Notes 3 and 10)	21,104,934	13,120,177
Collection of accounts and notes receivable - non-trade	2,587,400	1,608,934
Disposals of property, plant and equipment (Note 12)	131,054	1,298,826
Placements in/ roll-over of short-term investments - net	(230,742)	794,865
Additions to:		
Investments in associates and joint ventures (Note 10)	(3,287,617)	(30,146,379)
Property, plant and equipment (Note 12)	(22,266,765)	(40,347,300)
Investment properties (Note 12)	(18,810,622)	(9,987,292)
Financial assets at FVTPL (Note 8)	(10,200,740)	(3,807,155)
Financial assets at FVOCI (Note 8)	(714,014)	(772,429)
Financial assets at amortized cost (Note 8)	(980,669)	(1,554,328)
Accounts and notes receivable - non-trade	(3,482,053)	(8,343,126)
Intangible assets	(839,201)	—
Dividends received from associates, joint ventures and investments in equity securities (Note 10)	10,976,038	14,172,337
Acquisitions through business combinations - net of cash acquired	—	(569,802)

	For the Periods Ended September 30	
	2025	2024
Change due to loss of control over a subsidiary (Note 3)	(114,727)	(57,779)
Decrease (increase) in other noncurrent assets	(8,871,234)	11,338,098
Net cash used in investing activities	(21,596,751)	(47,374,942)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from:		
Availments of short-term and long-term debt (Note 15)	255,308,420	265,416,433
Reissuance of preferred shares (Note 16)	20,000,000	—
Sale of treasury common shares	—	2,210,508
Payments of short-term and long-term debt (Note 15)	(242,700,028)	(221,146,871)
Buyback of common shares (Note 16)	(972,875)	—
Dividends paid (Notes 13 and 16)	(8,470,947)	(7,610,943)
Payment of principal portion of lease liabilities	(1,971,194)	(2,256,023)
Collections of subscriptions receivable	117,776	177,428
Cost of issuance of common and preferred shares (Note 16)	(158,943)	(37,605)
Interest paid	(6,796,197)	(3,730,935)
Increase (decrease) in:		
Other noncurrent liabilities	4,732,758	4,928,994
Non-controlling interests in consolidated subsidiaries (Notes 3 and 16)	(11,921,168)	(1,291,542)
Net cash provided by financing activities	7,167,602	36,659,444
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	861,613	436,209
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	979,796	(2,726,257)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	75,501,736	74,784,222
CASH AND CASH EQUIVALENTS AT END OF PERIOD (Note 4)	P76,481,532	P72,057,965

See accompanying Notes to Unaudited Interim Condensed Consolidated Financial Statements.

AYALA CORPORATION AND SUBSIDIARIES

NOTES TO UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Corporate Information

Ayala Corporation (the Parent Company, Ayala, or AC) is the holding company of one of the oldest and largest business groups in the Philippines that traces its history back to the establishment of the Casa Roxas business house in 1834. The Parent Company was incorporated on January 23, 1968, and its Class A Shares and Class B Shares were first listed on the Manila and Makati Stock Exchanges (the predecessors of the Philippine Stock Exchange or PSE) in 1976. In 1997, the Parent Company's Class A and Class B Shares were declassified and unified as Common Shares.

The Parent Company is a corporation having a perpetual corporate term pursuant to Republic Act No. 11232, otherwise known as the Revised Corporation Code of the Philippines. As of September 30, 2025, the Parent Company is 47.69% owned by Mermac, Inc. (Mermac) and the rest by the public. Mermac, a private holding company incorporated in the Philippines is the dominant shareholder of Ayala. Ayala's new registered office address and principal place of business is at the 37F to 39F Ayala Triangle Gardens Tower 2, Paseo de Roxas corner Makati Avenue, Makati City.

The Parent Company is organized as a holding company holding equity interests in the Ayala Group (the Group), one of the largest and most diversified groups in the Philippines. Ayala's business activities are divided into real estate and hotels, financial services, telecommunications, power, healthcare, logistics, industrial technologies and automotives, infrastructure, education, technology services, business process outsourcing, air charter, retail, and investment holdings.

Ayala's real estate business is primarily conducted through its subsidiary, Ayala Land, Inc. (Ayala Land or ALI), a diversified real estate company in the Philippines. Its involvement in financial services is through an affiliate, the Bank of the Philippine Islands (BPI), which, together with its subsidiaries (collectively, the BPI Group), form a universal banking group in the Philippines. Ayala's telecommunications business is carried out through joint venture, Globe Telecom, Inc. (Globe), a leading telecommunications company in the Philippines. Ayala's investments in the power sector are held under AC Energy and Infrastructure Corporation (ACEIC or AC Energy), which owns directly and indirectly 58.9% of ACEN Corporation (ACEN) as of September 30, 2025, one of the fastest growing energy companies in the region and Ayala's main platform for its energy investments.

Ayala's emerging businesses in healthcare is conducted through Ayala Healthcare Holdings, Inc. (AC Health), and logistics operations are housed under AC Logistics Holdings Corporation (AC Logistics).

In portfolio investments, Ayala's international business in electronics manufacturing services and vehicle distribution and retail are under AC Industrial Technology Holdings, Inc. (AC Industrials or ACI). Its investments in infrastructure are housed under AC Infrastructure Holdings Corporation (AC Infra). Ayala's interest in education is conducted through iPeople, Inc. (iPeople), where it owns a 36.3% stake as of September 30, 2025 while its investments in technology ventures are in AM 50 Ventures Inc. (formerly AC Ventures Holding Corp., see Notes 3 and 10).

Certain members of the Ayala Group, namely ALI, BPI, Globe, ACEN, iPeople, Integrated Micro-Electronics, Inc. (IMI), AREIT, Inc. (AREIT), AyalaLand Logistics Holdings Corp. (ALLHC), and ENEX Energy Corp. (ENEX) are likewise publicly listed corporations. Some of Ayala's subsidiaries, associates and joint ventures have holdings in the equity of other subsidiaries, associates and joint ventures.

On November 11, 2025, the Parent Company's Audit Committee of the Board of Directors (BOD) approved and authorized the release of the accompanying unaudited interim condensed consolidated financial statements of Ayala Corporation and Subsidiaries.

2. Material Accounting Policy Information

Basis of Preparation

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with Philippine Accounting Standard (PAS) 34, *Interim Financial Reporting*, as modified by the application of the reporting reliefs issued and approved by Securities and Exchange Commission (SEC) and discussed under Statement of Compliance. Accordingly, the unaudited interim condensed consolidated financial statements do not include all of the information and disclosures required in the December 31, 2024 annual audited consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as at and for the year ended December 31, 2024.

The accompanying unaudited interim condensed consolidated financial statements of the Group have been prepared on a historical cost basis, except for financial assets at fair value through profit or loss (FVTPL), financial assets at fair value through other comprehensive income (FVOCI), and derivative financial instruments that have been measured at fair value. The unaudited interim condensed consolidated financial statements include the accounts of the Parent Company and its subsidiaries and are presented in Philippine Peso (₱), and all amounts are rounded to the nearest thousand Pesos (₱000) except when otherwise indicated.

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

Statement of Compliance

The accompanying unaudited interim condensed consolidated financial statements have been prepared in accordance with PAS 34.

PFRSs Accounting Standards include Philippine Financial Reporting Standards (PFRS), PAS, and Interpretations issued by the Philippine Interpretations Committee (PIC).

Basis of Consolidation

The unaudited interim condensed consolidated financial statements comprise the statements of financial position of the Group as at September 30, 2025 with comparative audited figures as at December 31, 2024 and consolidated statements of income, comprehensive income, and cash flows for the periods ended September 30, 2025 and 2024.

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- a. Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- b. Exposure, or rights, to variable returns from its involvement with the investee; and
- c. The ability to use its power over the investee to affect its returns.

When the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- a. The contractual arrangement with the other vote holders of the investee;
- b. Rights arising from other contractual arrangements; and
- c. The Group's voting rights and potential voting rights.

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.

In a business combination achieved in stages, the Group remeasures its previously held equity interest in the acquiree at its acquisition date fair value and recognizes a gain or loss, if any, in profit or loss (under "Other income").

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 or excluded in the consolidated

financial statements from the date the Group gains control or until the date the Group ceases to control the subsidiary.

The financial statements of the subsidiaries are prepared for the same reporting period as the Parent Company using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions, and dividends are eliminated in full.

Non-controlling interests pertain to the equity in a subsidiary not attributable, directly or indirectly, to the Parent Company. Any equity instruments issued by a subsidiary that are not owned by the Parent Company are non-controlling interests including preferred shares and options under share-based transactions. The portion of profit or loss and net assets in subsidiaries not wholly owned are presented separately from the Parent Company's equity in the unaudited interim condensed consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity, and consolidated statements of financial position. Non-controlling interests are net of any outstanding subscription receivable.

Losses within a subsidiary are attributed to the non-controlling interests even if that results in a deficit balance.

In accounting for call and put options over non-controlling interests, management determines whether it has present access to the returns associated with the non-controlling interests. If the options give the Group access to the returns over the non-controlling interests, the Group consolidates the acquiree as if it acquired a 100.0% interest.

If the options do not give the Group present access to the returns over the non-controlling interests, the Group takes the view that the non-controlling interests should be accounted for in accordance with PFRS 10, *Consolidated Financial Statements*, and must be presented within equity separate from the equity of the Parent Company, until the option is exercised.

For the periods ended September 30, 2025 and 2024, call options are accounted for in accordance with PFRS 9, *Financial Instruments*, as a derivative asset or liability carried at FVTPL.

The financial liability for the put option is accounted for under PFRS 9 like any other written put option on equity instruments. On initial recognition, the corresponding debit is made to a component of equity attributable to the Parent Company, not to the non-controlling interest. All subsequent changes in the carrying amount of the financial liability that result from the remeasurement of the present value payable on exercise are recognized in profit or loss also attributable to the Parent Company.

If the put option is exercised, the Group accounts for an increase in its ownership interest. At the same time, the Group derecognizes the financial liability and reverses the component of equity that was reduced on initial recognition. If the put option expires unexercised, the financial liability is reclassified to the same component of equity that was reduced on initial recognition.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity as "Equity reserve" and attributed to the owners of the Parent Company.

If the Group loses control over a subsidiary, it derecognizes the related assets (including goodwill), liabilities of the subsidiary, non-controlling interest and the cumulative translation adjustments recorded in equity, recognizes the fair value of the consideration received and any investment retained, while the resulting gain or loss is recognized in profit or loss. It also reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

Material Accounting Policy Information

In addition to the Group's accounting policies detailed in the Group's annual audited consolidated financial statements as at and for the year ended December 31, 2024, the Group's inventories

policy includes the application of the approach presented in the PIC Questions and Answers (PIC Q&A) No. 2020-05 wherein repossession is accounted as a modification of the contract and any previously recognized revenue is reversed and the related cost of real estate sales is recognized.

Adoption of New and Amended Accounting Standards and Interpretations

The accounting policies adopted in the preparation of the unaudited interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual audited consolidated financial statements as at and for the year ended December 31, 2024 except for the new PFRS, amended PFRS, improvements to PFRS and interpretations which were adopted beginning January 1, 2025. Unless otherwise indicated, the adoption of these new pronouncements did not have a significant impact on the Group's unaudited interim condensed consolidated financial statements.

- **Amendments to PAS 21, *Lack of Exchangeability***
The amendments specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking.
- **PFRS 17, *Insurance Contracts***
PFRS 17 is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, PFRS 17 will replace PFRS 4, *Insurance Contracts*. This new standard on insurance contracts applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of PFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. In contrast to the requirements in PFRS 4, which are largely based on grandfathering previous local accounting policies, PFRS 17 provides a comprehensive model for insurance contracts, covering all relevant accounting aspects. The core of PFRS 17 is the general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

On December 15, 2021, the Financial Reporting Standards Council (FRSC) amended the mandatory effective date of PFRS 17 from January 1, 2023 to January 1, 2025. This is consistent with Circular Letter No. 2020-62 issued by the Insurance Commission which deferred the implementation of PFRS 17 by two (2) years after its effective date as decided by the International Accounting Standards Board (IASB).

Effective beginning on or after January 1, 2026

- **Amendments to PFRS 9 and PFRS 7, *Classification and Measurement of Financial Instruments***
The amendments clarify that a financial liability is derecognized on the 'settlement date', i.e., when the related obligation is discharged, cancelled, expires or the liability otherwise qualifies for derecognition. They also introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before settlement date if certain conditions are met.

The amendments also clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features. Furthermore, the amendments clarify the treatment of non-recourse assets and contractually linked instruments.

Annual Improvements to PFRS Accounting Standards – Volume 11

The amendments are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversight or conflicts between the requirements in the Accounting Standards. The following is the summary of the Standards involved and their related amendments.

- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
The amendments included in paragraphs B5 and B6 of PFRS 1 cross references to the qualifying criteria for hedge accounting in paragraph 6.4.1(a), (b) and (c) of PFRS 9. These are intended to address potential confusion arising from an inconsistency between the wording in PFRS 1 and the requirements for hedge accounting in PFRS 9.
- Amendments to PFRS 7, *Gain or Loss on Derecognition*
The amendments updated the language of paragraph B38 of PFRS 7 on unobservable inputs and included a cross reference to paragraphs 72 and 73 of PFRS 13.
- Amendments to PFRS 9
 - a.) Lessee Derecognition of Lease Liabilities
The amendments to paragraph 2.1 of PFRS 9 clarified that when a lessee has determined that a lease liability has been extinguished in accordance with PFRS 9, the lessee is required to apply paragraph 3.3.3 and recognize any resulting gain or loss in profit or loss.
 - b.) Transaction Price
The amendments to paragraph 5.1.3 of PFRS 9 replaced the reference to 'transaction price as defined by PFRS 15, *Revenue from Contracts with Customers*, with 'the amount determined by applying PFRS 15'. The term 'transaction price' in relation to PFRS 15 was potentially confusing and so it has been removed. The term was also deleted from Appendix A of PFRS 9.
- Amendments to PFRS 10, *Determination of a 'De Facto Agent'*
The amendments to paragraph B74 of PFRS 10 clarified that the relationship described in B74 is just one example of various relationships that might exist between the investor and other parties acting as de facto agents of the investor.
- Amendments to PAS 7, *Cost Method*
The amendments to paragraph 37 of PAS 7 replaced the term 'cost method' with 'at cost', following the prior deletion of the definition of 'cost method'.

Effective beginning on or after January 1, 2027

- PFRS 18, *Presentation and Disclosure in Financial Statements*
The standard replaces PAS 1, *Presentation of Financial Statements*, and responds to investors' demand for better information about companies' financial performance. The new requirements include:
 - Required totals, subtotals and new categories in the statement of profit or loss
 - Disclosure of management-defined performance measures
 - Guidance on aggregation and disaggregation
- PFRS 19, *Subsidiaries without Public Accountability*
The standard allows eligible entities to elect to apply PFRS 19's reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other PFRS accounting standards. The application of the standard is optional for eligible entities.

Deferred effectivity

- Amendments to PFRS 10 and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*
The amendments address the conflict between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture.

On January 13, 2016, the FRSC deferred the original effective date of January 1, 2016 of the said amendments until the IASB completes its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting for associates and joint ventures.

The Group is currently assessing the impact of adopting these amendments.

3. Group Information

The unaudited interim condensed consolidated financial statements comprise the financial statements of the Parent Company and the following subsidiaries of the Group:

Subsidiaries	Nature of Business	% of Economic Ownership Interest held by the Group	
		September 2025 (Unaudited)	December 2024 (Audited)
AC Energy and Infrastructure Corporation (ACEIC)	Power	100.0	100.0
AC Infrastructure Holdings Corporation (AC Infra)	Infrastructure	100.0	100.0
AC International Finance Limited (ACIFL) ¹	Investment Holding	100.0	100.0
ACX Holdings Corporation (ACX)	Investment Holding	100.0	100.0
AC Industrial Technology Holdings, Inc. (AC Industrials/ ACI)	Industrial Technology and Automotive	100.0	100.0
Ayala Aviation Corporation (AAC)	Air Charter	100.0	100.0
Ayala Land, Inc. (ALI)	Real Estate and Hotels	52.5	51.9
AYC Finance Limited (AYCFL) ¹	Investment Holding	100.0	100.0
Azalea International Venture Partners Limited (AIVPL) ²	Business Process Outsourcing	100.0	100.0
Ayala Healthcare Holdings, Inc. (AC Health)	Healthcare	94.1	100.0
Bestfull Holdings Limited (BHL) ³	Investment Holding - International	100.0	100.0
Integrated Micro-Electronics, Inc. (IMI)	Industrial Technologies	52.1	52.1
Michigan Holdings, Inc. (MHI)	Investment Holding	100.0	100.0
Philwater Holdings Company, Inc. (Philwater)	Investment Holding	100.0	100.0
Purefoods International Limited (PFIL) ²	Investment Holding	100.0	100.0
Technopark Land, Inc. (TLI) ⁴	Real Estate	78.8	78.8
AM 50 Ventures Inc. (AM 50 Ventures) ⁵	Investment Holding	—	100.0
AC Logistics Holdings Corporation (AC Logistics)	Logistics	100.0	100.0

¹Incorporated in the Cayman Islands

²Incorporated in the British Virgin Islands

³Incorporated in Hong Kong

⁴In December 2021, TLI's BOD and stockholders approved the shortening of its corporate term to June 30, 2023, which was subsequently approved by the SEC. It is anticipated that TLI will not carry out any significant business operation or activity until approval of closure from other regulatory bodies.

⁵On August 29, 2025, the SEC approved AC Ventures Holding Corp.'s (AC Ventures) change in corporate name to AM 50 Ventures Inc. to reflect the joint venture of the Parent Company and Mitsubishi Corporation in AC Ventures (see Note 10 and the related discussion below).

Unless otherwise indicated, the principal place of business and country of incorporation of the Parent Company's investments in subsidiaries, associates and joint ventures is the Philippines.

Except as discussed below, the voting rights held by the Parent Company in its investments in subsidiaries are in proportion to its economic ownership interest.

The following are the highlights of significant transactions of the Parent Company and subsidiaries, part of which affected the Parent Company's investments in its subsidiaries:

Parent Company

1. *Capital infusions*

The Parent Company infused the following investments:

- a. On March 17, 2025, the Parent Company infused into AC Logistics ₱1.27 billion to fund the closure of the Express business of Airfreight 2100 (AF2100)) in exchange for 1.27 billion redeemable preferred shares with a par value of ₱1.00 per share.
- b. On April 28, 2025, the Parent Company subscribed to 30.0 million AC Infra redeemable preferred shares, with a par value of ₱1.00 per share, for ₱30.0 million. The infusion will fund AC Infra's share in the capital call of AF Payments Inc.
- c. On June 19, 2025, the Parent Company infused ₱323.4 million for 323.4 million AC Logistics redeemable preferred shares with ₱1.00 par value per share. This infusion will partially fund the capital expenditure requirements of Cargohaus and A-Movement Corporation.
- d. On May 29, 2025, the Parent Company subscribed to 20,000 redeemable preferred shares of AC Mobility Holdings, Inc. (AMHI) with ₱10,000 par value per share for a total of subscription price of ₱2.0 billion. The funds will be used for the working capital requirements of BYD Distribution.
- e. On July 2, 2025, the Parent Company infused ₱314.0 million to ACX to fund additional requirements of Anko JV Company, Inc. The infusion will consist of ₱45.0 million to fully pay the subscription to 215.0 million preferred shares (of which ₱170.0 million was paid in October 29, 2024), and ₱269.0 million as new subscription to 26.9 million preferred shares.
- f. On July 25, 2025, the Parent Company infused ₱1.7 billion to AC Mobility in exchange for 17,000 redeemable convertible preferred shares to fund the growth plans of Infra Charging Stations, Kisa Distribution, and IDI-BYD Dealerships. On the same day, the Parent Company subscribed to 11.0 million preferred shares with ₱1.00 par value per share at a total subscription of ₱110.0 million.

2. *AC and AP Møller Partnership*

On March 6, 2025, the Parent Company, through its wholly owned subsidiary, AC Logistics, and A.P. Møller Capital (AP Møller), through EMIF II Holding III B.V. (EMIF), entered into a Share Subscription Agreement for EMIF to acquire up to 40% of AC Logistics. AP Møller, with headquarters in Copenhagen, Denmark, is an infrastructure fund manager focused on scaling critical infrastructure needs, particularly in transport and logistics. The completion of the transaction is subject to finalization of subscription price and satisfaction of conditions precedent including but not limited to regulatory approvals and the achievement of certain business milestones.

3. *Ayala's earnings results*

On March 14, 2025, Ayala reported its net income for the full year of 2024. Ayala's core net income, which excludes one-off items, increased 10 percent to an all-time high of ₱45.0 billion. BPI, Ayala Land, Globe, and ACEIC delivered strong performances, underpinning the Parent Company's results. Accounting for one-offs, Ayala's net income rose 10 percent to ₱42.0 billion.

On May 13, 2025, Ayala reported its net income for the first quarter of 2025. Ayala's core net income, which excludes one-off items, declined four percent to ₱11.3 billion as healthy contributions from BPI and Ayala Land cushioned lower earnings from Globe and ACEIC. Including one-off items, Ayala's net income decreased four percent to ₱12.6 billion.

On August 13, 2025, Ayala reported its net income for the first half of 2025. Ayala's core net income, which excludes one-off items, dipped 2 percent year-on-year to ₱23.7 billion, an improvement from the 4 percent decline in the first quarter of 2025. This was a result of higher contributions from BPI, Ayala Land, and Ayala's portfolio businesses partly offsetting softer earnings from Globe and ACEIC. Including one-off items, Ayala's net income increased 5 percent to ₱23.4 billion as impairments incurred in the same period of last year were higher. Meanwhile, Ayala recorded a core net income of ₱12.4 billion in the second quarter, a sequential improvement of 9 percent, on the back of higher earnings from ACEIC, ACMobility, and Globe.

ACEIC

1. *ACEN acquisition of Negros Island Solar Power, Inc. shares from Asian Energy Impact Trust Plc*

On March 6, 2025, ACEN executed a Share Purchase Agreement and Deed of Absolute Sale with AEIT, involving the sale by Asian Energy Impact Trust Plc (AEIT) of 7,371 Redeemable Preferred Shares E (RPS E) of Negros Island Solar Power, Inc. (ISLASOL), a subsidiary of ACEN, in favor of ACEN with a total purchase price of ₱141.3 million. Upon the completion of the sale, subject to obtaining the requisite certificate authorizing registration from the Bureau of Internal Revenue (BIR), ACEN will acquire full ownership of ISLASOL. Simultaneous with ACEN's acquisition of shares from AEIT, ISLASOL redeemed 15,906 RPS E shares held by AEIT in ISLASOL with a total redemption price amounting to ₱488.7 million.

The acquisition was accounted for as involving entities under common control. As a result, ACEN's direct and indirect ownership in ISLASOL increased from 60.0% to 100.0% and ACEIC's direct and indirect ownership increased from 34.8% to 58.9%, both from December 31, 2024 (audited) to September 30, 2025 (unaudited). The preceding transactions resulted to an increase in equity reserve of ₱0.5 billion in the unaudited interim condensed statements of changes in equity for the period ended September 30, 2025.

2. *ACEN subscription agreements with Buendia Christiana Holdings Corp.*

On March 18, 2025, ACEN signed a subscription agreement with its subsidiary, Buendia Christiana Holdings Corp. (BCHC), for ACEN's subscription to 660,000 common shares and 5.9 million redeemable preferred shares, to be issued out of the authorized capital stock of BCHC.

This transaction was a non-event at AC consolidated level as this was a transaction within the ACEIC Group.

3. *Loan agreement with Amihan Renewable Energy Corp.*

On March 28, 2025, ACEN (as lender) entered into a Facility Agreement with Amihan Renewable Energy Corp. (AREC, as borrower) for a ₱350.0 million term loan facility to fund AREC's working capital requirements. The loan is interest bearing and has a maturity date of five years from initial drawdown.

AREC is a wholly-owned subsidiary of North Luzon Renewable Energy Corp. (NLR). The ultimate parent of the AREC and NLR is Philippine Wind Holdings Corporation (Philwind) which is a joint venture investment of the ACEIC Group (see Note 10).

As of September 30, 2025, ₱200.0 million has been drawn from the facility.

4. *Investment in Real Wind Energy, Inc.*

On August 1, 2025, the Group finalized the accounting for the acquisition of Real Wind Energy, Inc. (RWEI). There is no change from the provisional to the final purchase price allocation. The fair values of assets and liabilities approximate their carrying values. Goodwill arising from the acquisition amounted to ₱1.4 billion.

5. *ACEN stock rights offering*

On April 23, 2025, the BOD of ACEN approved the offer and issuance of primary common shares by way of a stock rights offer to eligible stockholders.

On May 30, 2025, ACEN submitted a request for confirmation of exempt transaction to the SEC and listing application to the PSE.

On July 7, 2025, ACEN received SEC's confirmation of exempt transaction for the stock rights offering (SRO).

On August 8, 2025, the BOD of ACEN approved its postponement of its proposed SRO due to revised scheduling of its capital expenditures in a number of its markets in Southeast Asia.

6. *Sale of ACEN diesel plant companies to ACEIC*

On June 16, 2025, ACEN's Executive Committee, acting on authority delegated by its BOD, approved the sale to ACEIC, of its 100% ownership interests in the following special purpose companies owning the ACEN Group's diesel plants:

- a. Bulacan Power Generation Corporation (BPGC) – 52MW diesel plant (Norzagaray, Bulacan)
- b. One Subic Power Generation Corporation (OSPGC) – 116MW diesel plant (Subic Freeport)
- c. CIP II Power Corporation (CIP) – 21MW diesel plant (Bacnotan, La Union)

On August 29, 2025, ACEN and ACEIC executed a share purchase agreement covering the sale of the ACEN Group's outstanding common shares in the above entities for a total purchase price of ₱1.3 billion. On the same date, the parties also executed Deeds of Absolute Sale for the following:

- a. 6.0 million common shares with a par value of ₱100.00 per share in BPGC, representing 100% its issued and outstanding common shares;
- b. 33.5 million common shares with a par value of ₱1.00 per share in OSPGC, representing 17.13% of its issued and outstanding common shares; and
- c. 6.4 million common shares with a par value of ₱50.00 per share in CIP, representing 100% of its issued and outstanding common shares.

BPGC owns 162.0 million common shares with a par value of ₱1.00 per share in OSPGC, representing 82.87% of OSPGC's issued and outstanding common shares. Accordingly, upon ACEN's sale of BPGC, ACEIC became the 100% direct and indirect owner of OSPGC.

With this transaction, ACEN has fully divested its interest in the ACEN Group's diesel plants, thereby achieving its goal of reaching 100% renewable energy generation by the end of 2025.

The above transaction was a non-event at the AC and ACEIC consolidated levels as these were an exchange of assets within the Group and the impact to the unaudited interim condensed consolidated statement of income, consolidated statement of financial position, and consolidated cash flows have been eliminated.

ALI

1. *Transactions within the ALI Group*

- a. On February 20, 2025, ALI's BOD approved the subscription of ALI and its subsidiaries, Accendo Commercial Corporation (Accendo), Cagayan de Oro Gateway Corporation (CDOGC), and Central Bloc Hotel Ventures, Inc. to 505.9 million primary common shares of AREIT, in exchange for eight (8) commercial properties with an aggregate value of ₱21.0 billion, as validated by a third-party fairness opinion.

The proposed property-for-share swap was approved by AREIT shareholders at their annual meeting on April 24, 2025 and by pertinent regulatory bodies.

On September 25, 2025, the SEC approved the property-for-share swap with Accendo Commercial Corporation (Accendo), Cagayan de Oro Gateway Corporation (CDOGC), and Central Bloc Hotel Ventures, Inc. (CBHVI), involving issuance of 505.9 million AREIT primary common shares to Accendo, CDOGC and CBHVI, in exchange for eight (8) commercial properties with an aggregate value of ₱20.99 billion, effective July 1, 2025.

As a result, the ALI Group's holding in AREIT increased from 55% to 61%.

The above transaction was a non-event at the AC and ALI consolidated levels as these were an exchange of assets within the Group and the impact to the unaudited interim condensed consolidated statement of income, consolidated statement of financial position, and consolidated cash flows have been eliminated.

- b. On February 21, 2025, the SEC approved the merger of MDC Build Plus Inc. with Makati Development Corp (MDC) as the surviving entity.
- c. On March 13, 2025, the SEC approved the articles of merger of ALI and the following subsidiaries. Consequently, the subsidiaries' operations and its assets and liabilities have been absorbed by ALI effective April 1, 2025.

ALI Triangle Hotel Ventures, Inc.
 ALO Prime Realty Corporation
 Altaraza Prime Realty Corporation
 Amorsedia Development Corporation
 Arcasouth Hotel Ventures, Inc.
 Asiatown Hotel Ventures, Inc.
 Ayala Hotels Inc.
 Ayalaland Medical Facilities Leasing Inc.

Buendia Landholdings, Inc.
 Cebu Leisure Co. Inc.
 Circuit Makati Hotel Ventures, Inc.
 Crimson Field Enterprises, Inc.
 Ecoholdings Company, Inc.
 Enjay Hotels, Inc.
 FIVE STAR Cinema Inc.

Hillsford Property Corporation
 HLC Development Corporation
 Integrated Eco-Resort Inc
 North Ventures Commercial Corp.
 One Makati Hotel Ventures, Inc.
 Prima Gaedi Development Corp
 Primavera Towncentre, Inc.
 Red Creek Properties, Inc.
 Regent Horizons Conservation Company, Inc.
 Seda Colleges Inc.
 Southportal Properties, Inc.
 Sunnyfield E-Office Corp
 Westview Commercial Ventures Corp.
 Whiteknight Holdings, Inc.

- d. AyalaLand Estates Inc. (ALEI), a wholly-owned ALI subsidiary, completed acquisitions that increased its ownership in three subsidiaries. ALEI purchased the 40.0% non-controlling interest in Arabica Midland Holdings, Inc. (AMHI) on January 10, 2025, the 15.0% non-controlling interest in Torcello Holdings, Inc. (THI) on May 28, 2025 and the 35.0% non-controlling interest in Erinome Holdings, Inc. (EHI) on May 28, 2025, bringing the ALI Group's ownership to 100.0% in AMHI, 95.0% in THI and 95.0% in EHI respectively.

During the year, ALEI acquired 100.0% equity interest in Westpaddock Holdings Inc., Angetenar Development, Corp., and Taygata Development, Corp.

2. *ALI Performance Shares (APS) and 2025 ALI Employee Stock Ownership (ESOWN) Plan*

Also on February 20, 2025, ALI's BOD approved the following:

- a. ALI Performance Shares (APS) Plan which is designed to propel the ALI Group's three-year strategy, strengthen key talent engagement and ensure alignment with shareholder interests. The APS supplements the ALI Group's existing Employee Stock Ownership Plan (ESOWN). Shares issued from the APS will form part of the 3% allocation of the ALI Group authorized common shares for stock options. The APS was approved by ALI's stockholders on April 24, 2025.
- b. The 2025 stock option program pursuant to the ESOWN which authorizes the grant to qualified executives, in accordance with the terms of the ESOWN Plan, of stock options covering up to a total of 8.1 million common shares at a subscription price of ₱20.42 per share, which is the average price of our common shares at the PSE over the last 5-day average trading as of February 14, 2025, less a prescribed discount. A total of 12.0 million shares is allocated for APS to vest over three years.

3. *Debt capital financing and retirement of treasury shares*

In addition, the BOD of ALI also approved on February 20, 2025 the following:

- a. The raising of up to ₱75.0 billion in debt capital to partially finance general corporate requirements and refinance maturing debt through the issuance of retail bonds and/or corporate notes for listing on the Philippine Dealing and Exchange Corporation, and/or execution of bilateral term loans.
- b. The amendment of Article Seventh of ALI's Articles of Incorporation to decrease the authorized capital stock from ₱21.4 billion to ₱20.4 billion through the retirement of 1.0 billion common shares held in treasury. This was approved by ALI's stockholders on April 24, 2025.

4. *Acquisition of ABS-CBN Corporation's (ABS-CBN) property*

On February 27, 2025, ALI signed a Memorandum of Agreement for the acquisition of a portion of ABS-CBN's property located in Quezon City, subject to conditions precedent, including clearance by the Philippine Competition Commission, among others.

5. *Acquisition of additional shares of Roxas Land Corp. (Roxas Land)*

On March 12, 2025, ALI acquired 2,880,000 shares of stocks constituting 40.0% of the total outstanding capital stock in Roxas Land from the existing investor for a consideration amounting to ₱127.0 million.

The acquisition was accounted for as involving entities under common control. As a result, ALI's effective ownership of Roxas Land increased from 50.0% to 90.0%. This resulted in an increase in equity reserve of ₱69.5 million in the unaudited interim condensed statements of changes in equity for the period ended September 30, 2025.

6. *Conversion of voting preferred shares into common shares*

On March 14, 2025, ALI converted 43,777 voting preferred shares into common shares which were sourced from its existing listed treasury shares. This is in relation to ALI's Voting Preferred Shares Redemption Program which commenced on June 29, 2022. All of the converted voting preferred shares will be retired.

As a result of the conversion, ALI's issued shares were 15.7 billion common shares and 13.1 billion voting preferred shares while outstanding shares were 14.6 billion common shares and 12.4 billion voting preferred shares.

The voting preferred shareholders may continue to convert their shares into common shares at a conversion ratio of 1 voting preferred shares to 1 common share at a price which shall be the higher of (i) the average closing price for the immediately preceding 30 trading days less the par value of the voting preferred shares of ₱0.10 per share, and (ii) the closing price immediately preceding the conversion date less the par value of the voting preferred share of ₱0.10 per share.

7. *Block sale of AREIT shares*

On July 3, 2025, ALI sold an aggregate of 12.0 million common shares of AREIT at a transaction price of ₱40.78 per share, equivalent to ₱489.4 million.

This resulted in an increase in non-controlling interests of ₱294.0 million and equity reserve of ₱194.6 million in the unaudited interim condensed statements of changes in equity for the period ended September 30, 2025.

8. *Buyback of shares*

During the first nine months of 2025, ALI purchased a total of 301.5 million common shares at an average price of ₱23.79 per share for a total consideration of ₱7.2 billion under its share buyback program.

9. *Dividend declaration*

On February 20, 2025, ALI's BOD approved the declaration of a regular cash dividend of ₱0.2888 per common share for the first half of 2025 to stockholders of record on March 5, 2025, and paid on March 21, 2025.

On June 13, 2025, ALI's BOD approved the declaration of cash dividends to all stockholders of unlisted voting preferred shares of ₱0.00632862 per share, equivalent to a dividend rate of 6.32862% per annum. The payment was made on June 27, 2025 to stockholders on record as of June 20, 2025.

The fair value of ALI shares held by the Parent Company amounted to ₱185.6 billion and ₱199.7 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively. The voting rights held by the Parent Company in ALI is 73.4% and 72.9% as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively.

AC Health

Investment Agreement with ABC Impact Fund II LP

On August 8, 2025, the Parent Company's Executive Committee of its BOD and AC Health's BOD approved the investment by ABC Impact Fund II LP (ABC Impact) through IMP2 Rise Pte. Ltd.'s subscription to common shares and redeemable preferred shares of AC Health equivalent to a ~16% economic stake (the "Transaction"). ABC Impact is a Singapore-based impact investor

dedicated to Asia and backed by Temasek Trust and Temasek while IMP2 Rise Pte. Ltd. is a special purpose vehicle of ABC Impact.

On the same date, AC Health and IMP2 Rise Pte. Ltd. executed the Investment Agreement relating to the Transaction. The completion of the Transaction is subject to satisfaction of conditions precedent.

The Transaction is aligned with AC Health's vision of transforming healthcare for every Filipino, by building a seamless and integrated healthcare ecosystem. Furthermore, the investment supports AC Health's expansion across its core pillars of hospitals, multi-specialty clinics, and retail pharmacies – through a combination of organic initiatives and targeted acquisitions. By 2027, AC Health aims to expand its network to at least 10 hospitals, 300 clinics, and 1,150 pharmacies.

On September 1, 2025, ABC Impact subscribed to 121.1 million common shares with par value of ₱2.00 per share and 208.3 million preferred shares with par value of ₱1.00 per share at subscription price of ₱4.3013 and ₱4.1972 per share, respectively, for a total of ₱1.4 billion as its initial subscription for 16% share in AC Health.

AC Industrials

Volkswagen operations

In July 2025, the Importer and Distributor Contract between Volkswagen AG and Automobile Central Enterprise, Inc., a subsidiary of AC Industrials, was terminated. A Temporary Continuation Agreement was signed effective August 1, 2025 for a period of eight weeks to support the wind down of operations.

AC Infra

Redemption of preferred shares

On July 11, 2025, the BOD of AC Infra approved the redemption of 176.0 million preferred shares held by the Parent Company at a redemption price of ₱1.00 per share or a total redemption price of ₱176.0 million; and the retirement of the redeemed preferred shares immediately after its redemption. The redemption was implemented on July 31, 2025.

AC Logistics

1. Shareholder advances

As of September 30, 2025, AC Logistics infused non-interest-bearing shareholder advances to Air 21 Holdings, Inc. totaling to ₱1.5 billion.

2. Share purchase of the sale of IWMI and WARM shareholdings

On September 8, 2025, AIR21 and Lucia Jane P. Lina (Ms. Lina) executed the Share Purchase Agreement for AIR21 to sell its 100% shares in IWMI and WARM to Ms. Lina or her designated assignee for nominal consideration, subject to the completion of conditions precedent.

AM 50 Ventures (previously, AC Ventures)

1. Strategic partnership with Mitsubishi Corporation

On March 31, 2025, the Parent Company, AC Ventures, and Mitsubishi Corporation (MC) signed an Investment Agreement to document their agreement on the terms and conditions upon which MC would subscribe for shares in the capital stock of AC Ventures. Under the Investment Agreement, AC Ventures would use the proceeds of the subscription to redeem AC's redeemable preferred shares in AC Ventures and cover related costs.

Pursuant to the Investment Agreement, on July 25, 2025, AC purchased 100 common shares in Mynt from AC Ventures. On July 31, 2025 (following clearance of the transaction by the Philippine Competition Commission (PCC) on July 3, 2025 and satisfaction of other conditions precedent), AC, MC and AC Ventures completed the transactions contemplated by the Investment Agreement, including the subscription by MC for shares of AC Ventures for a total subscription price of approximately ₱19.0 billion, and the execution by and among AC, AC Ventures, and MC of a shareholders' agreement setting out their agreement on the management of AC Ventures and AC and MC's rights and obligations as shareholders in AC Ventures.

On August 1, 2025, and in accordance with the Investment Agreement, AC Ventures redeemed Class A and Class C redeemable preferred shares held by AC for a total amount of approximately ₱19.0 billion. Following completion of the redemption, AC and MC each hold a 50% equity stake in AC Ventures.

The foregoing transactions resulted in the AC Group's partial divestment of AC Ventures, the fair revaluation of the Group's remaining interest in AC Ventures, and the recognition of remeasurement gain amounting to ₱10.4 billion (see Note 10).

2. *Change in corporate name*

In line with the new structure of AC Ventures as a joint venture between AC and MC, AC Ventures applied for a change in its corporate name from AC Ventures Holding Corp. to AM 50 Ventures Inc. (see Note 10). This was approved by the SEC on August 29, 2025. AC Ventures is currently in the process of changing its corporate name with the BIR.

3. *Equity restructuring*

On September 18, 2025, the SEC approved AC Ventures' application for equity restructuring to fully wipe out its deficit as of December 31, 2024 amounting ₱73.0 million against its additional paid-in capital.

ACX

1. *Change in corporate name*

On January 6, 2025, the SEC approved the amendment to AG Counselors Corporation's (AGCC) Articles of Incorporation including (1) the change of its corporate name to ACX Holdings Corporation, and (2) the change in its business from a business of advisory, consultancy assistance and other allied services, into a holding company with a principal business interest in the consumer retail space. ACX is currently in the process of changing its corporate name with the BIR.

2. *Business venture with Makro ROH Company Limited*

On September 24, 2025, ACX and Makro ROH Company Limited (MROH), a subsidiary of CP Axta Public Company Limited (CP Axta), executed a subscription agreement and a shareholders' agreement covering ACX's and MROH's committed equity interest of 49.9% and 50.1%, respectively, in M&Co Corporation, now known as CP Axta AC Corporation, a new entity that will operate Makro stores in the Philippines.

CP Axta is a wholesale and retail business operator (including mall management) in Thailand and overseas and is part of the Charoen Pokphand Group.

3. *Business venture with Spinneys 1961 Holdings PLC*

On September 30, 2025, ACX and Spinneys 1961 Holdings PLC (Spinneys) signed an investment and shareholders' agreement to bring Spinneys-branded premium grocery stores to the Philippines, subject to the satisfaction of certain conditions precedent by the parties.

Spinneys is a leading fresh-focused premium supermarket retailer with a network of 87 stores in the United Arab Emirates, Oman, and Saudi Arabia. It recently signed a joint venture agreement to expand to Kuwait. The entry into the Philippines represents the brand's first expansion outside the Gulf Cooperation Council. Spinneys is majority-owned by the Al Seer Group, a consumer holdings company that is part of a UAE-based group with business interests in industries such as food, retail, hospitality, shipyards and construction, with presence in over 20 countries.

IMI

1. *Strategic closure of Chengdu facility to optimize operations*

On January 24, 2025, IMI announced the strategic closure of its Chengdu, China facility. This move is part of the IMI Group's ongoing efforts to streamline operations and reduce costs, aligning with the company's strategy to consolidate its footprint into strategically located facilities.

Production at IMI Chengdu concluded in December 2024, with all customer commitments successfully met. The remaining customer projects have been seamlessly transferred to other IMI sites.

IMI is working diligently to comply with local government regulations and initiated a six-month winding up period. On February 10, 2025, IMI Chengdu made a liquidation notice and registered a liquidation team with the Chengdu government.

2. *Amendment of IMI's Articles of Incorporation and 2025 IMI Employee Stock Option Program*
On March 7, 2025, IMI's BOD approved the following:

- a. amendment to the Second Article of its Articles of Incorporation to include in the primary purpose the following activities:

"To provide warehousing/logistics support services, particularly importation/procurement, storage, deposit, inventory management of goods for subsequent sales, transfers or dispositions to clients, interested establishments, agencies and/or export enterprises".

- b. 2025 Employee Stock Option Program which may be in the form of a Stock Appreciation Rights Plan that grants cash settled and/or equity settled options (at the option of the company) to its key talents.

Both were ratified by IMI's stockholders on April 22, 2025. The SEC approved the amendment to IMI's Second Article of its Articles of Incorporation on May 7, 2025.

3. *Sale of investment in Integrated Micro-Electronics Czech Republic s.r.o.*

On July 31, 2025, IMI announced the completion of the sale of its 100% equity interest in Integrated Micro-Electronics Czech Republic s.r.o. to Keboda Deutschland GmbH & Co. KG, a subsidiary of Keboda Technology Co., Ltd., a publicly listed company based in China. Keboda is a leading system solution provider for automotive intelligent and energy-sufficient electronics components.

As disclosed on June 4, 2025, the transaction was executed through IMI's subsidiary, Coöperatief IMI Europe U.A. (Coöperatief). After successful completion of all conditions pertinent to the transaction, the deal officially closed on July 31, 2025. The total consideration amounts to €10.03 million, subject to post-closing adjustments. As of September 30, 2025, Cooperatief has received €7.41 million (\$8.7 million) out of the total proceeds, while the rest are still subject to an agreement on escrow and post-closing adjustments.

This strategic divestment is in line with IMI's ongoing efforts to streamline its global manufacturing footprint. With this transaction, IMI is better equipped to enhance operational efficiency, increase facility utilization, and drive overall profitability in the region. High value customers that were previously managed by the Czech facility have been successfully transitioned into IMI's Bulgaria and Serbia manufacturing sites.

The table below shows the gain recognized related to sale of IMI Czech:

Net asset	\$6,536
Total investment carrying value	6,536
Recoverable amount (Partial cash consideration)	8,682
Gain on disposal (initial)	\$2,146

4. *Consolidation of IMI Kuichong in Shenzhen, China*

As part of IMI's continued efforts to drive efficiency across the organization, the company has successfully transferred the manufacturing activities of IMI Kuichong to its nearby facility in Pingshan, Shenzhen. Final production activities in IMI Kuichong were concluded on September 30, 2025, and consolidation efforts now shift towards the seamless integration of operations into the Pingshan facility over the coming weeks.

Throughout this transition period, IMI's management team will prioritize business continuity and ensure that key customer accounts from IMI Kuichong will be served with minimal disruption.

This strategic move is expected to further improve operational efficiency, increase capacity utilization in IMI Pingshan and further streamline IMI's footprint in China.

IMI remains committed to delivering world-class manufacturing solutions while continuously aligning its operations with evolving customer needs and shifting market dynamics.

The consolidation has no impact on the group structure since both plants are under the legal entity IMI Technology (Shenzhen) Co. Ltd. (IMI SZ).

The fair value of the IMI shares held by the Group amounted to ₱2.1 billion and ₱1.7 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively. The voting rights held by the Group in IMI is 52.1% as of September 30, 2025 (unaudited) and December 31, 2024 (audited).

MHI

Dividend declaration

On July 3, 2025, MHI's BOD approved the declaration and payment of cash dividends amounting to ₱210.0 million and was paid on July 14, 2025 to all its stockholders of record as of July 7, 2025.

Philwater

Dividends declaration

Philwater's BOD approved the declaration and payment of dividends during the period:

- on February 11, 2025, ₱2.13 billion cash dividends to stockholders of record as of February 13, 2025 and paid on February 14, 2025;
- on April 4, 2025, cash dividends amounting to ₱698.0 million to stockholders of record as of April 9, 2025 and paid on April 10, 2025; and
- on June 23, 2025, ₱232.0 million cash dividends to stockholders of record as of June 26, 2025 and paid on June 27, 2025.

Subsidiaries with material economic ownership interest

The summarized financial information of these subsidiaries provided below are based on amounts before inter-company eliminations:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Millions)	
Ayala Land, Inc. and Subsidiaries		
Current assets	₱451,289	₱435,661
Non-current assets	515,737	483,094
Current liabilities	298,255	249,123
Non-current liabilities	298,736	311,136
Equity:		
Attributable to owners of the parent	310,123	299,396
Attributable to non-controlling interest	59,912	59,100
Revenue	121,830	125,212 *
Net income:		
Attributable to owners of the parent	21,380	21,159 *
Attributable to non-controlling interest	4,361	4,103 *
Other comprehensive income (loss)	380	813 *
Integrated Microelectronics, Inc. and Subsidiaries		
Current assets	US\$584	US\$590
Non-current assets	185	203
Current liabilities	469	424
Non-current liabilities	36	146
Equity:		
Attributable to owners of the parent	261	219
Attributable to non-controlling interest	3	5
Revenue	749	841 *
Net income (loss):		
Attributable to owners of the parent	15	(9) *
Attributable to non-controlling interest	(2)	(8) *
Other comprehensive income (loss)	27	1 *

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Millions)	
AC Energy and Infrastructure Corporation and Subsidiaries		
Current assets	₱54,069	₱62,374
Non-current assets	360,332	332,365
Current liabilities	26,888	30,369
Non-current liabilities	199,830	181,141
Equity		
Attributable to owners of the parent	97,881	90,297
Attributable to non-controlling interest	89,803	92,933
Revenue	35,139	43,071
Net income:		
Attributable to owners of the parent	4,239	10,089
Attributable to non-controlling interest	751	3,444
Other comprehensive income (loss)	2,926	(1,694)

**Based on unaudited September 30, 2024*

*Based on unaudited September 30, 2024

As of September 30, 2025 (unaudited), the proportion of economic ownership held by material non-controlling interest of ALI and IMI is 47.5% and 47.9%, respectively, while the voting rights held is 26.6% and 47.9%, respectively. While ACEIC is a wholly owned subsidiary of the Parent Company, the material non-controlling interests within the ACEIC Group is generally attributable to the 41.4% ownership of the non-controlling interest in ACEN as of September 30, 2025.

4. Cash and Cash Equivalents

This account consists of:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Cash on hand and in banks	₱24,646,065	₱26,849,019
Cash equivalents	51,835,467	48,652,717
	₱76,481,532	₱75,501,736

Cash in banks earns interest at the prevailing bank deposit rates. Cash equivalents are short-term, highly liquid investments that are made for varying periods of up to three months depending on the immediate cash requirements of the Group and earn interest at the prevailing short-term rates.

The Group maintains cash and cash equivalents with Bank of the Philippine Islands (BPI), an associate of the Parent Company and related party of the Group, amounting to ₱28.9 billion and ₱24.0 billion, as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively (see Note 21).

5. Short-term Investments

This account consists of the following:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Money market placements	₱954,308	₱723,567

Short-term investments pertain to money market placements made for varying periods of more than three months but less than one year and earn interest at the respective short-term investment rates.

The Group maintains short-term investments with BPI amounting to ₱0.7 billion and ₱0.5 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively (see Note 21).

6. Accounts and Notes Receivable

This account consists of:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Trade:		
Real estate and hotels	₱175,481,613	₱163,974,220
Industrial technologies	12,938,351	13,463,413
Power	5,645,711	7,374,170
International and others	3,775,647	2,665,715
Logistics	2,939,176	3,457,096
Automotive	2,169,666	3,063,685
Outsourcing	520,551	580,387
Receivable from related parties (Note 21)	911,450	770,987
Non-trade:		
Advances to other companies	40,324,811	32,130,313
Receivable from Power Partners Ltd. Co. (PPLC)	30,831,740	29,445,220
Receivable from related parties (Note 21)	27,442,617	37,668,909
Accrued interest receivable	21,850,313	18,669,490
Receivable from officers and employees	2,482,484	2,080,209
Dividends receivable (Note 21)	1,334,960	761,517
Others (Note 21)	7,407,861	2,346,568
	336,056,951	318,451,899
Less allowance for expected credit losses	12,642,754	9,028,398
	323,414,197	309,423,501
Less noncurrent portion	159,431,296	151,065,379
	₱163,982,901	₱158,358,122

The aging analysis of accounts and notes receivables that are past due but not impaired as of September 30, 2025 (unaudited) and December 31, 2024 (audited) follows:

	Trade Receivable							
	Days Past Due							
	Current	<30 days	31-60 days	61-90 days	91-120 days	>120 days	Total	Total
	(in Thousands)							
September 30, 2025 (Unaudited)								
Expected credit loss rate	0.23%	0.02%	0.07%	0.24%	0.08%	18.79%	8.50%	2.22%
Trade:								
Real estate and hotels	₱140,872,010	₱11,860,122	₱2,435,213	₱1,647,684	₱2,464,110	₱16,202,474	₱34,609,603	₱175,481,613
Industrial technologies	9,881,502	1,405,112	564,023	357,987	184,684	545,043	3,056,849	12,938,351
Power	3,072,860	536,539	318,666	358,870	172,687	1,186,089	2,572,851	5,645,711
International and others	404,127	831,231	335,121	399,273	357,866	1,448,029	3,371,520	3,775,647
Logistics	225,287	272,532	154,014	92,574	109,920	2,084,849	2,713,889	2,939,176
Automotive	254,036	895,914	187,570	110,861	145,052	576,233	1,915,630	2,169,666
Outsourcing	301,797	67,878	53,299	7,770	89,807	–	218,754	520,551
Receivable from related parties	40,335	276,466	127,795	171,153	97,529	198,172	871,115	911,450
Total trade receivables	₱155,051,954	₱16,145,794	₱4,175,701	₱3,146,172	₱3,621,655	₱22,240,889	₱49,330,211	₱204,382,165
Allowance for expected credit loss	₱352,636	₱3,035	₱3,074	₱7,559	₱2,875	₱4,178,125	₱4,194,668	₱4,547,304
December 31, 2024 (Audited)								
Total trade receivables	₱138,001,905	₱10,685,184	₱4,974,039	₱2,710,859	₱20,184,750	₱18,792,936	₱57,347,768	₱195,349,673
Allowance for expected credit loss	₱446,356	₱2,357	₱2,387	₱5,870	₱2,233	₱2,220,407	₱2,233,254	₱2,679,610

The classes of trade receivables of the Group are follows:

Real estate and hotels

Real estate receivables consist of:

- Residential, commercial, and office development – pertain to receivables from the sale of high-end, upper middle-income and affordable residential lots and units; economic and socialized housing units and sale of commercial lots; sale of office units; and leisure community developments.
- Corporate business – pertain to lease receivables from office and factory buildings and receivables from sale of industrial lots
- Shopping centers – pertain to lease receivables from retail spaces
- Construction contracts – pertain to receivables from third-party construction projects

- Management fees – pertain to receivables from facilities management services
- Others – pertain to receivables from hotel operations and other support services

Residential, commercial and office development receivables are collectible in monthly installments over a period of one (1) to ten (10) years. These are carried at amortized cost using the prevailing market rates. Titles to real estate properties are transferred to the buyers only once full payment has been made.

Receivables from corporate business, construction contracts, shopping centers and management fees are collectible based on various terms of payments either monthly or quarterly upon billing.

ALI Group, from time to time, sells its residential receivables on a without recourse basis to partner mortgage banks, which includes the BPI Group, a related party, amounting to ₱9.7 billion and ₱14.8 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively. These were sold at a discount with total proceeds of ₱8.6 billion as of September 30, 2025 (unaudited) and ₱13.1 billion as of December 31, 2024 (audited). ALI Group recognized loss on sale, under “Interest and other financing charges” in the unaudited interim consolidated statements of income amounting to ₱1.0 billion for the nine months ended September 30, 2025 (unaudited) and ₱1.7 billion for the full-year ended December 31, 2024 (audited).

Industrial technologies

Industrial technologies receivables arose from manufacturing and other related services for electronic products and components and have credit terms averaging 70 days from invoice date.

Power

Power generation receivables pertain to the ACEIC Group’s receivable from Independent Electricity Market Operator of the Philippines (IEMOP), National Grid Corporation of the Philippines (NGCP), National Transmission Corporation (TransCo) for the Feed-in-Tariff (FIT) system adjustment, and from the ACEIC Group’s bilateral customers. It consists of both non-interest-bearing and interest-bearing receivables. The term is generally from 30 to 60 days.

Noncurrent trade receivables consist of refundable amounts from Philippine Electric Market Corporation (PEMC) and FIT system adjustments that are expected to be realized beyond 12 months after end of the reporting period. FIT system adjustments are discounted using the PHP BVAL reference rates for government securities with an imputed credit spread on top of the BVAL, based on the annual credit spread that was used to compute for the discounted net receivable as of the end of the reporting period. The PHP credit spread was derived as the difference between comparable government-owned and controlled companies’ rate less risk-free rate.

Logistics

Logistics receivables pertain to the AC Logistics’ Group trade receivables which are non-interest-bearing and generally have 30- to 120-day terms.

International and others

International and other receivables arose from investments in overseas property companies and projects, charter services, agri-business and others; and are generally on 30- to 60-day terms.

Automotive

Automotive receivables relate to the sale of passenger cars, motorcycles, commercial vehicles, parts and accessories, and charging equipment and revenues; and are collectible within 30 to 90 days from the date of sale.

Outsourcing

Outsourcing receivables arise from venture capital for technology businesses; provision of value-added content for wireless services, online business-to-business and business-to-consumer services; electronic commerce; technology infrastructure sales and technology services; and onshore- and offshore-outsourcing services and are normally collected within 30 to 60 days from invoice date.

The following outlines the nature of the Group’s non-trade receivables, some of which are classified as noncurrent.

Advances to other companies

ACEIC

ACEIC receivables to other companies are interest-bearing and payable based on the respective terms of the loans.

- On December 22, 2020, ACEIC signed the Affiliated Subordinated Indebtedness (ASI) agreement with GN Power Kauswagan Ltd. Co. (GNPK) for US\$200.0 million (₱9.6 billion). The ASI loan is subject to interest rate compounding semi-annually ranging from 5.00% to 12.50% which shall accrue starting January 1, 2021. The maturity date of the loan is the later of the (1) the final maturity date of the GNPK Senior Loans (due 2031); and (2) the full payment on, and redemption of the full interest of a partner in GNPK and in GNPK's parent company, KPHLC under the limited partnership agreements. GNPK's payment of the interest on the ASI loan and the principal shall follow the repayment waterfall stipulation in the ASI loan agreement. Any unpaid interest shall accrue interest.
- Bridge financing (previously referred to as debt replacement) are provided to related parties to fund investment requirements for renewable power plants while under construction and undergoing implementation or release of project financing from financial institutions.

Bridge financing bear interest ranging from 7.00% to 15.00% per annum.

- Development loans are provided by ACEIC, through ACEN, to third parties and related parties to fund the development of renewable energy projects in various locations. Development loans bear interest ranging from 4.00% to 13.09% per annum.

ALI

Advances to other companies includes ALI's advances to joint venture partners that have been made in consideration of project costs and purchases of land that are still subject to completion. The advances are non-interest-bearing and are liquidated when the proceeds from the sale of the related projects are applied. These advances to other companies are collectible over a fixed term or on demand.

Advances to other companies also includes receivables from MRT Development Corporation (MRTDC) shareholders which pertains to interest-bearing advances made by North Triangle Depot Commercial Corporation (NTDCC) to MRTDC equivalent to the Pre-2006 Development Rights Payment (DRP) Payables and the Residual Depot DRP which is due more than one year, in relation to the funding and repayment agreement.

On December 17, 2014, NTDCC and MRTDC shareholders executed a "funding and repayment agreement" wherein the latter agrees to repay NTDCC, for the account of MRTDC, its respective pro rata share in the Total Depot DRP Advances (the Pre-2006 DRP Payables and the Residual Depot DRP, including 15% interest rate accrued on such DRP payables). Commencing on January 1, 2015, the MRTDC Shareholders shall effect the repayment of their respective pro rata share in the Total Depot DRP Payables, through a set-off against their respective share in the commercial center royalties to be received from ALI Group. Set off shall be effective as of the beginning of every calendar month, commencing January 30, 2015 and shall result in the settlement of the portion of the Total DRP Payables to the extent of the amount of the commercial center royalties then the balance will fall due to the relevant MRTDC Shareholders.

AC Industrials

In 2019, AC Industrials extended a loan to Roadworthy Cars, Inc. (RCI) amounting to ₱1.6 billion which bears interest at the rate of 7.68% per annum. Nominal interest for the covering period of ten years shall accrue beginning April 1, 2022 and shall be paid by RCI beginning on the second anniversary of the commencement of business of KP Motors Corporation (KPMC). For the succeeding years until the repayment date, interest on the principal amount of the loan shall accrue with respect to the outstanding amount of the loan.

On December 17, 2024, AC Industrials and RCI executed a Share Purchase Agreement (SPA) for the sale of the 105,000 Preferred A shares of RCI in KP Motors Corporation (KPMC) amounting to ₱2.3 billion to AC Industrials which shall be executed in tranches from December 2024 until December 2028.

Pursuant to the SPA, on December 17, 2024, AC Industrials and RCI signed a Deed of Absolute Sale for the sale of RCI's 18,900 Preferred A Shares amounting to ₱416.8 million to ACI. On the same date, an Irrevocable Proxy and Declaration of Trust over the 105,000 RCI shares in KPMC were executed. The proceeds from the sale of KPMC shares shall be applied in tranches of the same amount to the outstanding receivable from RCI from December 2024 until December 2028.

The remaining 86,100 Preferred A shares of RCI in KPMC shall be covered by separate Deeds of Absolute Sales to be executed from 2025 until 2028.

As of September 30, 2025 (unaudited) and December 31, 2024 (audited), loans receivable from RCI amounted to ₱1.9 billion.

Receivable from PPLC

On March 5, 2021, ACEIC, PPLC and certain of their affiliated companies, signed a Divestment Agreement for the transfer by ACEIC of its indirect ownership interest in GNPk in favor of PPLC and its affiliates. The transfer was implemented in tranches with the purchase price to be paid on a deferred basis. On September 30, 2021, after all conditions precedent have been met, ACEIC executed the divestment. The receivables from PPLC and affiliates arising from the first tranche sale amounted to ₱9.6 billion. The receivable from PPLC is subject to interest rate compounding semi-annually ranging from 5.00% to 12.50%. The maturity date of the loan is December 31, 2031. The amount and timing of collection is based on the priority payment waterfall provisions of the divestment agreement. Any unpaid interest shall accrue interest.

On June 30, 2023, the sale of 100% interest in ACE (BVI) D, Inc., ACE (BVI) F, Inc. and ACE (BVI) T, Inc. and 88.38% interest in ACE (BVI) PHILCO Corp. to PPLC and subsidiaries, equivalent to 47.1% (55% of the 85.7%) interest in GNPk (second tranche sale) was completed. The completion of the second tranche sale resulted in a gain of ₱1.3 billion for the period ended December 31, 2023. Total proceeds for the second tranche sale amounted to ₱13.9 billion and was included as part of Receivable from PPLC. As of June 30, 2023, the Parent Company, through ACEIC has fully divested its interest in GNPk.

On September 19, 2024, the ACEIC Group received payment of US\$20.25 million (₱1.1 billion).

As of September 30, 2025 (unaudited), total receivable from PPLC amounted to ₱30.8 billion consisting of ₱1.0 billion current and ₱29.8 billion noncurrent balances.

Accrued interest receivable

This account represents ACEIC Group's interest receivable pertaining to redeemable preferred shares, convertible loans, bridge financing, development loans and certain trade accounts with related parties and other third parties.

As of September 30, 2025 (unaudited), total accrued interest receivable is ₱21.9 billion with ₱9.1 billion current and ₱12.8 billion noncurrent portions.

Receivables from officers and employees

Receivable from officers and employees pertain to housing, car, salary, and other loans granted to the Group's officers and employees which are collectible through salary deduction, are interest-bearing (6.0% to 10.0% annum) and have various maturity dates.

Dividends receivable

Dividends receivable pertain to dividends due from associates and joint ventures. These receivables are non-interest-bearing and collectible within the year.

Others

Other receivables include the following:

- Receivable from the sale of MWC preferred shares in 2021 and 2024 amounted to ₱3.4 billion and ₱6.0 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively. As of September 30, 2025, the current portion of the receivable from the sale of MWCI amounted to ₱2.7 billion and the noncurrent portion is ₱0.8 billion.

- Accrued interest receivable from cash in bank, cash equivalents, short-term investment; and other non-trade receivables from non-related entities which are non-interest-bearing and are due and demandable.

Impairment of financial assets

For trade receivables, the Group applies a simplified approach in calculating expected credit losses (ECL). 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 that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

For other financial assets such as non-trade receivables from related parties, receivables from officers and employees, and advances to other companies and financial assets at amortized cost (debt instruments), ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL). As of September 30, 2025 (unaudited) and December 31, 2024 (audited), allowance for expected credit loss on non-trade receivables amounted to ₱8.1 billion and ₱6.3 billion, respectively.

As of September 30, 2025, the allowance for expected loss includes ₱3.8 billion provisions from the ACEIC Group's UPC Wind Projects (as discussed below); partly offset by reclassification of provisions from non-trade to trade allowance accounts of the ALI Group.

Impairment of UPC Wind Projects

In March 2025, Vietnam Electricity (EVN) applied a reduced tariff to the January 2025 and subsequent invoices, despite previous invoices being based on the original Feed-in Tariff (FIT). No formal guidance or justification has been issued by the Ministry of Industry and Trade (MOIT), Prime Minister's Office, or other authorities regarding the application of the reduced tariff, other than meetings held by the Government of Vietnam with renewable energy (RE) investors where the matter of belated issuance of Completion Certificate Acceptance for RE projects was raised as an issue. In late June 2025, the Deputy Prime Minister tasked the MOIT to review FIT eligibility for each project, including legal and financial implications of EVN's temporary FIT payment and claw back options.

These developments have resulted in invoice settlement delays for some solar projects partially owned by the ACEIC Group.

In June 2025, UPC Wind Projects, comprising Lac Hoa (30MW) and Hoa Dong (30MW) wind farm projects, reached an agreement with EVN on the final tariff of the project amounting to VND1,579/kWh, which is higher than the provisional tariff of VND 793/kWh applied when operations commenced in Q1 2024.

Both projects had missed the FIT deadline in October 2021 due to pandemic-related delays and inspection issues, causing Commercial Operation Date (COD) recognition in December 2023 and operational start in early 2024.

The ACEIC Group identified impairment indicators for ACEN's UPC Wind Projects, including the lower final tariff relative to the investment case, operational delays, and updated assumptions such as increased maintenance and insurance costs.

As a result of the foregoing, ACEN recorded an additional allowance for expected credit losses for its Vietnam Projects amounting to ₱2.7 billion (AC share of ₱1.6 billion; refer also to Section 2.8 of this SEC 17-Q Report) bringing this Group's total provisions for these receivables to ₱3.8 billion for the period ended September 30, 2025.

The resolution to the preceding issues are currently being discussed with the Vietnam government and aiming for an early resolution. ACEIC's management continues to conduct risk assessments

for similar Vietnam projects to determine the risk, including the overall financial impact to its investees.

The Group's provisions for ECL amounted to ₱4.2 billion and ₱1.3 billion for the periods ended September 30, 2025 and 2024 (both unaudited), respectively, which form part of "General and administrative expenses" in the unaudited interim condensed consolidated statements of income.

7. Inventories

This account consists of:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
At cost:		
Residential and commercial lots	₱133,386,408	₱117,722,517
Residential and condominium units and offices	104,500,818	108,837,561
Materials and supplies	10,615,492	11,444,726
Vehicles	12,318,702	3,767,887
Work-in-process	1,785,353	1,467,337
Finished goods	236,500	931,699
Others	206,460	468,344
	263,049,733	244,640,071
At NRV:		
Materials, supplies, and others	2,636,166	2,309,064
Work-in-process	357,049	365,604
Finished goods	86,393	438,045
	3,079,608	3,112,713
	₱266,129,342	₱247,752,784

The Group recognized ₱34.3 million and ₱374.3 million provision for inventory obsolescence, net of any reversals, for the periods ended September 30, 2025 and 2024 (both unaudited), respectively which includes the impact of VIA's impairment amounting to ₱0.5 billion or USD9.5 million (unaudited) for the period ended September 30, 2024. The provision is included under "General and administrative expenses" in the unaudited interim condensed consolidated statements of income.

8. Other Current Assets and Other Noncurrent Assets

Other current assets consist of:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Advances to contractors and suppliers	₱26,228,918	₱25,455,263
Prepaid expenses	23,549,089	23,756,356
Creditable withholding tax	21,280,319	17,805,306
Input VAT	15,945,793	14,581,198
Financial assets at FVTPL (Note 21)	8,120,355	11,313,625
Deposits in escrow	3,948,251	2,367,973
Contract assets	2,512,930	2,219,578
Derivative assets	764,689	389,630
Others	4,068,527	4,337,380
	₱106,418,871	₱102,226,309

Other noncurrent assets consist of:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Investment in debt and equity securities	₱34,498,860	₱32,958,451
Deferred charges	21,636,481	22,446,159

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Advances to contractors and suppliers	14,819,322	8,640,107
Deposits - others	7,773,758	5,750,041
Creditable withholding taxes	5,639,866	5,557,283
Derivative assets	5,196,780	4,499,660
Deferred input VAT	4,958,559	4,921,647
Pension assets	109,777	249,097
Others	2,769,626	2,253,181
	P97,403,029	P87,275,626

Other current assets include the following:

- a) Advances to contractors and suppliers
Advances to contractors and suppliers represent prepayments for the construction of real estate inventories. These are recouped from billings which are expected to occur in a short period of time.
- b) Prepaid expenses
Prepaid expenses mainly include prepayments for commissions, marketing fees, advertising and promotions, taxes and licenses, rentals and insurance. In line with ALI Group's accounting policy, if a contract or specific performance obligation exhibited marginal profitability or other indicators of impairment, judgment was applied to ascertain whether or not the future economic benefits from these contracts were 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.
- c) Creditable withholding tax
The Group will be able to apply the creditable withholding taxes against income tax payable.
- d) Input VAT
Input VAT is applied against output VAT. The remaining balance is recoverable in future periods.
- e) Financial assets at FVTPL
The Group's financial assets at FVTPL pertain to investment securities which includes the Compulsory convertible debenture of Unit Investment Trust Fund (UITF) investments; ARCH Funds, Alibaba Group's New Retail Strategic Opportunities Fund; Indies Pelago Investments, L.P.; Ikhlas Capital Fund, L.P.; promissory notes issued by CLOUSE S.A-Class C ordinary shares in Ant International Co. Limited; among others.

Total net mark-to-market gain/loss for FVTPL accounts amounted to loss of P21.5 million and gain of P32.0 million for the periods ended September 30, 2025 and 2024, respectively (both unaudited).
- f) Deposits in escrow
Deposits in escrow pertain to the proceeds from the sale of ALI Group that have been only granted with a temporary License To Sell (LTS) by the Housing and Land Use Regulatory Board (HLURB). For projects with temporary LTS, all payments, inclusive of downpayments, reservation, and monthly amortization, among others, made by the buyer within the selling period shall be deposited in an escrow account.
- g) Contract assets
Contract assets are initially recognized for revenue earned from manufacturing of goods as receipt of consideration is conditional on successful completion of the services. When goods are shipped or goods are received by the customer, depending on the corresponding agreement with the customers, the amounts recognized as contract assets are reclassified to trade receivables. Payments are received from customers depending on the credit terms.

h) Derivative assets

Derivative assets pertain to the coal and fuel commodity swaps contracts maturing within a 12-month period. The account also includes hedge transactions from ACEN Australia.

i) Others

Others mainly include deferred charges, accrued liquidated damages, and investment in bonds. Investment in bonds pertain to non-interest-bearing bonds of ALI Group. ALI Group recorded the investment as financial asset at fair value through other comprehensive income. The fair value of the investment in bonds is determined using the binomial lattice approach and categorized under Level 3.

Other noncurrent assets include the following:

a) Investments in debt and equity securities

This account consists of debt and equity investments, which are classified as financial assets at amortized cost, financial assets at FVOCI, and financial assets at FVTPL. These accounts are classified according to underlying conditions or terms of investments.

Financial assets at amortized cost are attributable to the ACEIC Group's investments in redeemable preferred shares, subscription deposits, and convertible loans which are held by ACEIC within a business model whose objective is both to collect their contractual cash flows which are solely payments of principal and interest on the principal amount outstanding.

Financial assets at FVOCI consist of the Group's unlisted preferred shares in public utility companies which the Group will continue to carry as part of the infrastructure that it provides for its real estate development projects, water utilities projects, and to its other operations. This account also includes unquoted equity investments from the ACEIC Group and quoted equity investments in listed equity securities and golf club shares.

Financial assets at FVTPL include ACEIC and Bestfull's convertible loans with terms exceeding twelve months which were designated at initial recognition to be measured at FVTPL.

b) Deferred charges

Deferred charges include ALI's project costs incurred for unlaunched projects of the ALI Group, advance rental payments, and noncurrent prepaid management fees. This also includes the ALI's noncurrent portion of cost to obtain contracts which includes prepaid commissions and advances to brokers.

Deferred charges also include IMI's tooling items customized based on the specifications of the customers and to be repaid as part of the price of the manufactured items.

c) Advances to contractors and suppliers

Advances to contractors represent prepayments for the construction of investment properties and property and equipment.

d) Deposits - others

This includes deposits and advances for projects which include escrow deposits and security deposits on land leases, electric and water meter deposits.

e) Creditable withholding tax

The Group will be able to apply the creditable withholding taxes against income tax payable or can be claimed as tax refund from the BIR.

f) Derivative asset

Noncurrent derivative asset pertains to the long-term energy service agreements for ACEN's solar project in Australia.

g) Deferred input VAT

Deferred input VAT pertains to unamortized VAT portion from purchases of capital goods.

h) Others

Others pertain to prepayments for expenses that are amortized for more than one year, marketable securities, and customers and tenants deposits to affiliates.

9. Right-of-Use Assets and Lease Liabilities

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Right-of-use assets	₱23,074,877	₱24,562,118
Lease liabilities – current and noncurrent	₱32,915,889	₱33,441,976

10. Investments in Associates and Joint Ventures

Investments in associates and joint ventures are accounted for under the equity method of accounting. Major associates and joint ventures and the related percentages of economic ownership as of September 30, 2025 (unaudited) and December 31, 2024 (audited) are as follows:

	% of Economic Ownership		Carrying Amounts	
	September 2025 (Unaudited)	December 2024 (Audited)	September 2025 (Unaudited)	December 2024 (Audited)
	(in Millions)			
Domestic:				
Bank of the Philippine Islands (BPI)	30.6	30.7	₱164,317	₱151,115
Liontide Holdings, Inc. (LHI)*	93.4	93.4	79,992	73,376
Globe Telecom, Inc. (Globe)*	30.6	30.7	48,961	46,629
AM 50 Ventures Inc. (AM 50 Ventures)*	50.0	–	19,049	–
AA Thermal, Inc. (AA Thermal)	40.0	40.0	17,669	17,188
Ortigas Land Corporation (OLC)	21.0	21.0	11,586	10,815
ALI-ETON Property Development Corporation (ALI-ETON)*	50.0	50.0	10,090	10,025
Philippine Wind Holdings Corporation (PhilWind)*	40.5	40.5	5,793	5,698
Light Rail Manila Holdings, Inc. (LRMHI)	50.0	50.0	5,141	4,276
iPeople, Inc. (IPO)	36.3	33.5	5,094	5,157
Emerging City Holdings, Inc. (ECHI)*	50.0	50.0	4,574	4,420
North Luzon Renewable Energy Corp. (NLR)*	33.3	33.3	3,324	3,199
Berkshires Holdings, Inc. (BHI)*	50.0	50.0	2,214	2,151
Globe STT GDC Inc.*	10.0	10.0	1,882	1,832
Asiacom Philippines, Inc. (Asiacom)*	60.0	60.0	1,840	1,812
Bonifacio Land Corporation (BLC)	10.0	10.0	1,660	1,602
Ingrid Power Holdings, Inc. (Ingrid)*	50.0	50.0	1,073	1,343
Unlimited Renewables Holdings, B.V. (URH)*	80.0	80.0	957	74
Alveo-Federal Land Communities, Inc. (Alveo-Federal)*	50.0	50.0	567	557
Globe Fintech Innovations, Inc. (Mynt)	–	13.7	–	24,877
Foreign:				
ACEHI Netherlands B.V. (ACEHI Netherlands)* (incorporated in the Netherlands)	75.8	75.8	13,791	13,037
BIM Energy Holding Corporation (BIMEH) (incorporated in Vietnam)	49.0	49.0	5,745	5,552
BrightNight India, B.V. (BrightNight)* (incorporated in the Netherlands)	50.0	50.0	2,941	3,776
Solar NT Holdings Pte. Ltd. (SUPER) (incorporated in Singapore)	49.0	49.0	2,323	2,387
BIM Renewable Energy Joint Stock Company (BIMRE) (incorporated in Vietnam)*	30.0	30.0	2,109	1,953
UPC Power Solutions LLC (UPC Power)* (incorporated in the USA)	83.3	83.3	1,580	1,804
Others (net of allowance for impairment)	Various	Various	8,245	6,567
			₱422,517	₱401,222

*Joint ventures

Unless otherwise indicated, the principal place of business and country of incorporation of the Group's investments in associates and joint ventures is in the Philippines.

Except as discussed in subsequent notes, the voting rights held by the Group in its investments in associates and joint ventures are in proportion to its economic ownership interest.

The following are financial highlights and significant transactions of associates and joint ventures, part of which affected the Parent Company's investments in its associate and joint venture:

BPI Group

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Millions)	
Total resources	₱3,472,822	₱3,318,813
Total liabilities	2,995,757	2,886,123
Equity:		
Attributable to owners of the parent	474,752	430,469
Attributable to non-controlling interest	2,313	2,221
Revenue	55,017	48,541
Net income:		
Attributable to owners of the parent	17,526	17,421
Attributable to non-controlling interest	33	79
Other comprehensive income (loss)	3,756	9,342

*Based on unaudited September 30, 2024

1. *US\$500 million and US\$300 million bond offering*

On March 27, 2025, BPI successfully tapped the international capital markets with a public USD bond offering of US\$500 million 5-year and US\$300 million 10-year Reg S senior unsecured fixed rate notes offering ("Notes").

2. *BPI Supporting Inclusion, Nature, and Growth Bonds (BPI SINAG Bonds)*

BPI's ₱5.0 billion Peso-denominated fixed-rate BPI SINAG Bonds marks the inaugural tranche under its ₱200.0 billion Bond and Commercial Paper Program approved by its BOD on October 16, 2024. The net proceeds will be used for the financing or refinancing of eligible projects under BPI's Sustainable Funding Framework consistent with the ASEAN Sustainability Bond Standards.

On May 20, 2025, BPI priced its 1.5-year Peso-denominated fixed-rate BPI SINAG Bonds with an aggregate principal amount of ₱5.0 billion with an option to upsize (the "Offer"). The BPI SINAG Bonds bears an interest rate of 5.85% per annum and will be paid quarterly. On June 10, 2025, BPI listed its BPI SINAG Bonds in the aggregate principal amount of ₱40.0 billion on the Philippine Dealing & Exchange Corp. (PDEX).

3. *2025 Employee Stock Purchase Plan*

At BPI's regular BOD meeting on April 21, 2025, the BOD approved the 2025 employee stock incentive program, which authorizes a total allocation of up to 18,270,400 shares.

4. *Dividends declaration*

On May 21, 2025, BPI's BOD approved the declaration of a cash dividend of ₱2.08 per common share for all stockholders of record as of June 10, 2025 and paid on June 30, 2025.

The dividends received by the Parent Company from BPI amounted to ₱3.2 billion and ₱3.0 billion for the periods ended September 30, 2025 and 2024 (both unaudited), respectively.

The fair value of BPI shares held by the Parent Company amounted to ₱185.9 billion and ₱197.2 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively. The effective voting rights held by the Parent Company in BPI is 30.6% and 30.7% as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively.

LHI

As of September 30, 2025 (unaudited) and December 31, 2024 (audited), LHI owns 823.2 million common shares of BPI representing a direct ownership interest in BPI of 15.6%. The Parent

Company and RRHI, as joint venture partners, agreed to vote its BPI shares based on the common position reached jointly by them as shareholders.

Dividends declaration

On June 30, 2025, the BOD of LHI approved the declaration of ₱1.1 billion cash dividends to stockholders of record as of June 30, 2025 and was paid on July 14, 2025.

The dividends received by the Parent Company from LHI amounted to ₱1.1 billion and ₱0.8 billion for the periods ended September 30, 2025 and 2024 (both unaudited).

The fair value of BPI shares held by LHI amounted to ₱94.7 billion and ₱100.4 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively. The effective voting rights held by the Group in LHI is equal to 95.5% as of September 30, 2025 (unaudited) and December 31, 2024 (audited).

Globe Group

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Millions)	
Current assets	₱81,987	₱77,218
Non-current assets	574,767	556,418
Current liabilities	120,440	123,552
Non-current liabilities	361,920	342,305
Equity		
Attributable to owners of the parent	174,346	167,748
Attributable to non-controlling interest	49	31
Revenue	131,590	134,744
Net income		
Attributable to owners of the parent	17,693	20,575
Attributable to non-controlling interest	(2)	(19)
Other comprehensive income (loss)	145	(342)

*Based on unaudited September 30, 2024

1. **₱10.0 billion loan facilities with BDO Unibank, Inc. and Metropolitan Bank & Trust Company**
On March 14, 2025, Globe signed term loan facilities of ₱10.0 billion each with BDO Unibank, Inc. and Metropolitan Bank & Trust Company. The loans shall be used to finance Globe's capital expenditures, debt refinancing, and/or general corporate requirements.

2. **CaelumPacific Corp.**
On February 6, 2025, Globe and Cirrus Mountain Investments (Cirrus) signed a deed of assignment for the transfer of 51 million Cirrus shares in CaelumPacific Corp. (CaelumPacific) to Globe for a total consideration of ₱22.6 million (\$0.39 million). The acquisition increased Globe's ownership to 100%.

On May 30, 2025, CaelumPacific's BOD and shareholders approved resolutions shortening the CaelumPacific's corporate term to end on July 30, 2027 and approved its closure.

3. **Joint venture with NCS Pte. Ltd. in Yondu Inc.**
On March 26, 2025, Globe entered into an agreement with NCSI Holdings Pte. Ltd. (NCSI), based in Singapore, to hold 51% ownership in Globe's subsidiary, Yondu Inc. (Yondu), as well as Yondu's acquisition of NCSI Philippines (NCS PH), making NCS PH a fully owned subsidiary of Yondu. Upon closing, Globe will retain 49% ownership in Yondu and NCS PH. Consequently, Yondu's assets and liabilities with net book value ₱1.7 billion (including cash and cash equivalents of ₱349.1 million) and ₱552.1 million, were reclassified as assets held-for-sale and liabilities held-for-sale, respectively, in Globe's consolidated statements of financial position as of September 30, 2025.

Yondu, while a distinct Cash Generating Unit, is not part of Globe's major lines of business. Consequently, its operational results will continue to be reported as part of Globe's continuing operations in the consolidated statements of comprehensive income until the transaction's closing date.

As of September 30, 2025, the closing of the transaction and actual transfer of ownership are still in progress.

4. *Electronic Commerce Payments, Inc.*

In relation to the share purchase agreement in 2023 between Globe and Mynt for the sale of Globe's 77% investment in Electronic Commerce Payments, Inc (ECPay), the PCC issued on May 14, 2025 a certification allowing the transaction to proceed, subject to strict compliance by ECPay and Mynt of their voluntary commitments.

On August 5, 2025, the closing of the transaction and transfer of ownership were completed.

5. *Third Pillar Business Applications, Inc.*

In April 2025, Yondu and Third Pillar Business Applications, Inc.'s (Third Pillar) minority shareholders signed a deed of assignment to transfer the latter's shares to Yondu for a total consideration of ₱6.8 million. The acquisition increased Yondu's ownership in Third Pillar to 100%.

6. *Sale or sale and leaseback of tower assets*

Globe completed the sale of tower assets as follows:

- a. on February 4, 2025 MIESCOR Infrastructure Development Corporation (MIDC) of 44 towers for ₱528 million;
- b. on February 21, 2025, to Phil-Tower Consortium, Inc. (PhilTower) of 12 towers for ₱178 million;
- c. on March 27, 2025, to Unity Digital Infrastructure (Unity) of 121 towers for approximately ₱1.5 billion to which resulted in 100% completion of the 447 towers sale to Unity; and
- d. on July 30, 2025, to PhilTower and MIDC of a total of 96 telecom towers for a combined cash consideration of ₱1.4 billion.

As of September 30, 2025, Globe completed the sale of 6,945 telecom towers representing 93% of the total towers portfolio subject to sale.

7. *Dividends declaration*

On February 6, 2025, Globe's BOD approved the declaration of the first quarter cash dividend of ₱25.00 per common share, payable to common stockholders of record as of February 20, 2025. Total dividends amounting to ₱3.6 billion was paid on March 7, 2025.

On May 9, 2025, Globe's BOD approved the declaration of the second quarter cash dividend of ₱25.00 per common share, payable to common stockholders of record as of May 26, 2025. Total dividends amounting to ₱3.6 billion was paid on June 5, 2025.

On August 5, 2025, the BOD of Globe approved the declaration of the third quarter cash dividend of ₱25.00 per common share, payable to common stockholders of record as of August 19, 2025. Total dividends of ₱3.6 billion was paid on September 4, 2025.

The dividends received by the Parent Company from Globe amounted to ₱3.3 billion for the periods ended September 30, 2025 and 2024 (both unaudited).

The fair value of Globe shares held by the Parent Company amounted to ₱66.4 billion and ₱96.7 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively. The effective voting rights held by the Group in Globe is 46.0% as of September 30, 2025 (unaudited) and December 31, 2024 (audited).

IPO

Acquisition of additional IPO shares

On August 14, 2025, the Parent Company completed its acquisition of 29,239,370 shares in IPO from A. Soriano Corporation ("Anscor"), which was done through a special block sale on the PSE. The transaction was cleared by the Philippine Competition Commission on July 29, 2025. This resulted in an increase in AC's stake in iPeople from 33.5% to 36.3%.

For the nine months ended September 30, 2025, the Parent Company recognized ₱885.0 million provision for its investment in IPO.

Dividends declaration

The dividends received from IPO amounted to ₱86.8 million and ₱66.5 million for the periods ended September 30, 2025 and 2024 (both unaudited), respectively.

The fair value of IPO shares held by the Parent Company amounted to ₱2.2 billion and ₱2.4 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively. The effective voting rights held by the Group in IPO is 36.3% and 33.5% as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively.

AM 50 Ventures

Refer to Note 3 for related transactions during the period prior to the start of the Parent Company's strategic partnership with MC.

Mynt

On August 1, 2024, Mynt secured fresh strategic investments from AC, through its wholly-owned subsidiary, AC Ventures, and Mitsubishi UFJ Financial Group (MUFG), through its consolidated subsidiary, MUFG Bank Ltd. (see Note 3). The deal pushed Mynt's valuation to \$5 billion from the \$2 billion valuation in the 2021 funding round. The deal is subject to the execution of definitive transaction documents and satisfaction of customary closing conditions.

On February 12, 2025, MUFG and Mynt closed its transaction on MUFG's acquisition of Mynt shares, completing MUFG's 8% stake in Mynt. This resulted to the dilution of Globe's and AC Ventures' respective ownership in Mynt from 36% to 34% and from 13.7% to 13.2%, respectively. Globe and AC Ventures each recognized calculated dilution gains amounting to ₱2.2 billion (with AC's equity share amounting to ₱0.7 billion) and ₱1.0 billion for the period ended September 30, 2025, respectively (see Section 2.8).

On June 2, 2025, the Mynt's BOD and shareholders, in their special board meeting and annual stockholders' meeting, approved the proposed stock split reducing the par value of Mynt's common shares from ₱1.00 per share to ₱0.03 per share, thereby increasing the number of authorized common shares from 2,149,773,612 to 71,659,120,400. Mynt's authorized capital stock of ₱2,149,773,612 will remain the same. This was approved by the SEC on October 27, 2025.

LRMHI

On February 14, 2025, the Department of Transportation (DOTr) approved LRMC's petition for fare increase to be implemented effective April 12, 2025.

For the nine months ended September 30, 2025 (unaudited), AC Infra recognized a ₱248.1 million reversal of impairment loss on its investment in LRMHI and is included under "Other income" in the unaudited interim condensed consolidated statements of income (see Section 2.8).

Asiacom

On August 5, 2025, the SEC approved Asiacom's application for equity restructuring to fully wipe out its deficit as of December 31, 2024 amounting ₱6.0 billion against its additional paid-in capital.

Others

Global Telehealth, Inc.

On March 6, 2025, AC Health together with Globe Capital Ventures Holdings, Inc., a subsidiary of Globe, and Salud Interactiva S.A DE C.V., signed a share purchase agreement with Metro Pacific Health Tech Corporation to sell their collective stake in Global Telehealth, Inc. (KMD) comprised of 54.0 million common shares and 12.0 million preferred shares, constituting one hundred percent (100%) of the outstanding capital stock of KMD, at the selling price of ₱375.0 million.

On April 15, 2025, AC Health, through its subsidiary Vigos Ventures, Inc., received the proceeds of the sale from KMD amounting to ₱146.0 million, exclusive of ₱9.7 million as hold out for pending eCAR submissions.

As a result of this transaction, AC Health and Globe recognized a gain of ₱92.9 million under "Other income" and a ₱21.1 million gain (₱6.5 million AC share) as part of "Share in net profits of

associates and joint ventures”, respectively, in the unaudited interim condensed consolidated statements of income.

NEFIN Limited and NEFIN Asset Management Pte. Ltd.

On May 29, 2025, ACEN Renewables International Pte. Ltd. (ACRI), a subsidiary of ACEIC, issued a formal notice to the shareholders of NEFIN Limited and NEFIN Asset Management Pte. Ltd. (collectively referred as “NEFIN”) to exercise its Step-in Rights, following NEFIN’s failure to pay dividends on the Redeemable Preference Shares (“RPS”) for at least four consecutive six-month periods, as required under the Shareholder’s Agreement.

The Step-in Rights allow ACRI to take certain actions, such as providing additional capital or operational expenditures, and making changes to NEFIN’s management team, to improve the performance of the existing projects.

On June 11, 2025, as part of the broader restructuring exercise of the NEFIN platform of which the Step-In Rights form a component, ACRI and Canis Majoris Holding Limited (CML), the original holding entity of 50% of the common shares of NEFIN Limited, executed a series of Shareholder Purchase Agreements (“SPA”). These agreements effected the following post-transaction shareholding structure in NEFIN Limited:

- ACRI’s ownership of 50% of the common shares;
- ACRI’s retention of 100% of the ACRI Redeemable Preference Shares (RPS);
- ACEN C&I HK Limited’s (ACEN C&I) ownership of the remaining 50% of the common shares, having acquired CML’s original stake; and
- ACEN C&I’s ownership of 100% of the CML RPS.

ACEN C&I is a joint venture between ACEN HK Investments and ACEN-Silverwolf Pte., the latter being a joint venture between ACRI and Silverwolf Capital Ltd.

Following this restructuring, CML has fully divested its position in the NEFIN platform, and accordingly, the Step-In Rights ceased to be effective as of the SPA execution date. Operational oversight of the NEFIN platform will be undertaken by the Silverwolf management team.

As of September 30, 2025, ACEIC’s management has assessed that it does not exercise control over NEFIN Limited, as defined under PFRS 10, *Consolidated Financial Statements*, under the restructured arrangements. Consequently, the NEFIN holdings will not be consolidated into the ACEIC Group’s financial statements.

CI GMF II Camarines Sur Offshore Wind Energy Corporation

On May 28, 2025, ACEN signed the definitive agreement with Copenhagen Infrastructure Partners’ (CIP) Growth Markets Fund II to acquire a 25% minority stake in the latter’s proposed offshore wind energy project located along the shores of San Miguel Bay in Camarines Sur and Camarines Norte (“San Miguel Bay Project”) with a potential installed capacity of up to 1 GW. This was executed through a Share Purchase and Loan Assignment Agreement with CI NMF PHILIPPINES C.V., as the seller, and CI GMF II COOPERATIEF U.A, as the loan assignor. The common shares representing 25% ownership will be purchased in two tranches of 29,500 and 200,000 shares, respectively.

On June 23, 2025, ACEN signed a Deed of Absolute Sale of Shares of Stock with CI NMF Philippines C.V. for the acquisition by ACEN of the tranche 1 shares of 29,500 common shares of stock of CI GMF II Camarines Sur Offshore Wind Energy Corporation (CI GMF), the holding Company of CI NMF I (PH) Corp (CI NMF), for a total consideration of ₱3.0 million (US\$0.05 million). ACEN also paid ₱89.0 million (US\$1.6 million) representing its installment for the tranche 2 shares.

On the same date, ACEN and CI GMF II COOPERATIEF U.A, executed a Deed of Assignment on the loan of CI NMF with principal and accrued interest amounting to ₱401.0 million (US\$7.1 million) representing 25% of the total indebtedness for a total consideration of ₱374.2 million (US\$6.6 million). Other income earned from the loan assignment amounted to ₱27.2 million (US\$0.5 million).

On September 12, 2025, ACEN sold the 29,500 Common Shares of stock of CI GMF for a total consideration of ₱2.95 million (US\$0.05 million) to its wholly owned subsidiary, Paseo de Roxas Energy Corporation (PDREC).

The principal place of business and country of incorporation of CI GMF and CI NMF is in the Philippines. CI NMF is the special purpose vehicle for the development and operation of the San Miguel Bay Project.

As of September 30, 2025, the carrying value of the assigned loan and interest amounted to ₱388.29 million and ₱27.39 million, respectively. For the nine-month period ended September 30, 2025, interest income earned amounted to ₱8.77 million.

11. Intangible Assets and Deferred Tax Assets

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Intangible assets	₱40,019,180	₱39,383,400
Deferred tax assets - net	₱18,974,566	₱20,220,095

Intangible assets include goodwill, customer relationships, unpatented technology, intellectual properties, developed software, licenses, trademarks, project development cost, and leasehold and other rights. For the period ended September 30, 2024, this amount is net of impact of VIA's impairment amounting to ₱0.9 billion or USD15.6 million (unaudited).

Deferred tax assets (DTA) include DTA on difference between tax and book basis of accounting for real estate transactions, lease liability, accrued expense, among others.

12. Investment Properties and Property, Plant and Equipment

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Investment properties ¹	₱277,236,713	₱262,903,806
Property, plant and equipment - net ²	₱199,525,221	₱178,131,222

Investment properties

The account consists of investments in land, building, and construction-in-progress, net of accumulated depreciation and amortization and impairment loss:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Land	₱76,753,014	₱72,984,887
Building	122,942,172	121,302,798
Construction-in-progress	77,541,527	68,616,121
	₱277,236,713	₱262,903,806

- a) Certain parcels of land are leased to several individuals and corporations. Some of the lease contracts provide, among others, that within a certain period from the expiration of the contracts, the lessee will have to demolish and remove all improvements (such as buildings) introduced or built within the leased properties. Otherwise, the lessor will cause the demolition and removal thereof and charge the cost to the lessee unless the lessor occupies and appropriates the same for its own use and benefit.

¹ The Group performs regular valuation of Investment Properties and Property, Plant and Equipment by professional independent appraiser namely: Cuervo Appraisers, Inc., Santos Knight Frank, Asian Appraisal, Colliers International and Aviso Valuation & Advisory Corp.

- b) Construction in progress pertains to buildings under construction to be leased as retail and office spaces upon completion. The development and construction period normally ranges from three to five years and depends heavily on the size of the assets.

During the period ended September 30, 2025, there were transfers from property, plant and equipment to investment properties arising from the ALI Group's statutory merger (see Note 3).

Property, plant and equipment

This account consists of:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Land, buildings and improvements	₱18,768,616	₱16,809,587
Plant, machinery and equipment	73,168,756	55,902,607
Hotel property and equipment	18,521,871	16,035,219
Furniture, fixtures and equipment	10,162,280	14,452,530
Transportation equipment	2,250,502	2,167,015
Construction-in-progress	76,653,196	72,764,264
	₱199,525,221	₱178,131,222

Total additions to property, plant and equipment and investment properties amounted to ₱41.1 billion for the period ended September 30, 2025. Meanwhile proceeds from disposal of property, plant and equipment and investment properties amounted to ₱131.0 million for the same period.

The Group's additions to property, plant and equipment include capitalization of eligible borrowing costs at various capitalization rates.

The Group recognized gains from disposal and retirement of certain machinery and facilities equipment, furniture and fixtures, and tools and instruments and booked under the "Other income" account. For the period ended September 30, 2024, the Group recognized impairment provisions for certain plant, machineries and equipment under "General and administrative expenses (GAE)" in the unaudited interim consolidated statements of income including the impact of VIA's impairment amounting to ₱0.3 billion or USD5.4 million (unaudited).

Certain property, plant, and equipment of the Group have been pledged as security for its obligations which includes, among others, ACEIC's property, plant, and equipment with carrying value of ₱8.1 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited) were mortgaged as security for the long-term loan of the ACEIC Group (see Note 15).

13. Accounts Payable and Accrued Expenses

This account consists of the following:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Accounts payable	₱168,258,772	₱152,927,977
Taxes payable	26,334,419	25,560,837
Accrued expenses		
Personnel costs	7,177,654	7,046,081
Rental and utilities	2,333,925	2,301,142
Advertising and promotions	2,093,901	1,365,433
Professional and management fees	797,526	1,512,399
Repairs and maintenance	251,162	313,139
Various operating expenses	6,602,334	7,306,577
Interest payable	8,337,894	7,761,725
Liability for purchased land	4,972,817	4,963,944
Related parties (Note 21)	4,863,725	4,544,179
Retentions payable	6,885,969	5,120,029
Dividends payable (Note 16)	580,475	2,805,520

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Property dividends payable (Note 16)	112,729	133,230
	P239,603,302	P223,662,212

Accounts payable and accrued expenses are non-interest bearing and are normally settled on 15- to 60-day terms. Other payables are non-interest-bearing and are normally settled within one year.

Accrued project costs are billings not yet received from suppliers for direct materials and services from subcontractors. These are accruals of project costs such as equipment charges, materials, labor, overhead and provision for repairs and maintenance. These are normally settled within one year and are part of "Accounts payable."

Accrued various operating expenses include accruals for supplies, commissions, transportation and travel, insurance, representation, dues and fees and others. These are normally settled within one year.

Taxes payable consists of output VAT, withholding taxes, business taxes, capital gains tax, and other statutory payables. These are normally settled within one year.

Interest payable pertains to interest incurred on bank loans and fixed bonds but not yet paid.

Liability for purchased land pertains to the current portion of unpaid unsubdivided land acquired payable during the year. These are normally payable in quarterly or annual installment payments or upon demand.

Retentions payable pertains to the amount withheld by ALI Group on contractor's billings to be released after the guarantee period, usually one (1) year after the completion of the project or upon demand. The retention serves as a security from the contractor should there be defects in the project.

Dividends payable pertains to cash dividends declared but not yet paid.

Property dividends pertain to the declaration of property dividends consisting of the ACEN shares acquired from ACEIC to the Parent Company's common shareholders at a ratio of three (3) ACEN shares per one (1) parent company common share. The SEC approved and issued the Certificate of Filing Notice of the Property Dividend declaration last October 24, 2022. The BIR released the Certificates Authorizing Registration (CAR) to stockholders who have met the BIR requirements last December 29, 2022, including of the submission of their Tax Identification Numbers. For stockholders who have not been issued a CAR, the payment date of the property dividend is on the 5th business day following their submission of a CAR to the Parent Company (see Note 16).

14. Other Current and Noncurrent Liabilities

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Other current liabilities	P22,608,277	P23,728,590
Other noncurrent liabilities	P60,394,499	P53,996,098

Other current liabilities include the following:

- Customer deposits pertain to security and customers' deposits. Security deposits are normally equivalent to three (3) to six (6) months' tenant's rent with cancellable lease contracts and whose lease term will end in the succeeding year. This will be refunded to the lessees at the end of the lease term or be applied to the last months' rentals on the related contracts. Customers' deposits consist of collections from real estate customers which have not reached the 10% threshold to qualify for revenue recognition and excess of collections over the recognized receivables based on percentage of completion.

- b. Nontrade payables pertain mainly to non-interest-bearing real estate-related payables to contractors and various non-trade suppliers which are due within one year.
- c. Others include derivative liability, contract liabilities, installment payable, and financial liabilities on put option. Contract liabilities include short-term advances received to render manufacturing services. Contract liabilities are recognized as revenue when the Group performs under the contract.

Other noncurrent liabilities include the following:

- a. Deposits include security deposits from tenants of retail and office spaces and deferred credits arising from sale of real estate properties. Security deposits are equivalent to three (3) to six (6) months' rent of long-term tenants with non-cancellable leases. This will be refunded to the lessees at the end of the lease term or be applied to the last months' rentals on the related contracts. This also includes customers' deposits which consist of excess of collections over the recognized receivables based on percentage of completion. Deferred credits pertain to advances from buyers of real estate properties to cover various processing fees including, but not limited to, fees related to transfer of title such as registration fees, documentary taxes and transfer taxes. Payments made by ALI Group for the processing of title are charged to this account.
- b. Retentions payable pertains to amount withheld by the Group from the contractors' billings to be released after the guarantee period, usually one (1) year after the completion of the project or upon demand. The retention serves as a security from the contractor should there be defects in projects requiring rework.
- c. Contractors payable represents accrued costs incurred for property development that are not yet billed.
- d. Liability for purchased land pertains to the portion of unpaid unsubdivided land acquired during the year. These are normally payable in quarterly or annual installment payments within three (3) or five (5) years.
- e. Deferred output VAT pertains to output VAT on receivables for which sales recognition has been deferred based on sales collection threshold for VAT recognition purposes.
- f. Subscription payable mainly pertains to ALLHC's investment in Cyber Bay.
- g. Others include nontrade payables which are individually not material such as ACEIC's dismantling obligations for lease properties and contingent consideration related to acquisition of investment.

15. Short-term and Long-term Debt

These accounts consist of the following:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Short-term debt:		
Philippine Peso debt with various interest rates	₱85,622,714	₱64,425,377
Foreign currency debt with various interest rates	8,571,085	11,130,907
	₱94,193,799	₱75,556,284
Long-term debt:		
The Parent Company:		
Philippine Peso debt with various interest rates	₱64,984,530	₱52,813,071
Philippine Peso bonds	15,925,559	30,879,524
	80,910,089	83,692,595

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Subsidiaries:		
Loans from banks & other institutions:		
Philippine Peso with various interest rates	191,364,014	186,016,325
Foreign currency with various interest rates	93,200,796	82,273,644
Foreign currency bonds	116,654,991	115,686,944
Philippine Peso bonds	107,431,193	123,533,339
	508,650,994	507,510,252
	589,561,083	591,202,847
Less current portion	52,710,415	60,875,018
Noncurrent portion	₱536,850,668	₱530,327,829

For the period ended September 30, 2025 (unaudited), total proceeds from availments of short-term and long-term debt amounted to ₱255.3 billion which consists mainly of proceeds from loans of AC (₱97.7 billion), ALI (₱101.9 billion), ACEIC (₱41.7 billion), AC Industrials (₱8.6 billion), AYCFL (₱4.3 billion), IMI (₱0.2 billion), AC Health (₱0.5 billion), and AC Logistics (₱0.4 billion); while payments of short-term and long-term debt amounted to ₱242.7 billion which mainly pertains to loan payment of AC (₱119.9 billion), ALI (₱79.8 billion), ACEIC (₱28.6 billion), AC Industrials (₱8.3 billion), IMI (₱3.5 billion), AYCFL (₱1.4 billion), and AC Logistics (₱1.1 billion).

The Group has short-term and long-term debt payable to BPI amounting to ₱76.3 billion and ₱66.9 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively (see Note 21). Interest expense incurred from these debts amounted to ₱2.6 billion and ₱1.9 billion for the periods ended September 30, 2025 and 2024 (both unaudited), respectively (see Note 21).

Loans availed of during the period ended September 30, 2025 have varying interest rates and maturity dates. Proceeds of loans were used for operating requirements, capital expenditures and certain investment acquisitions (see Note 3).

Parent Company

The Parent Company positions its deals across various currencies, maturities, and product types to provide utmost flexibility in its financing transactions.

Generally, the Parent Company's long-term loans are unsecured. Due to certain regulatory constraints in the local banking system regarding loans to directors, officers, stockholders and related interest, some of the Parent Company's credit facilities with a local bank are secured by shares of stock of a subsidiary in accordance with BSP regulations. All credit facilities of the Parent Company outside of this local bank are unsecured, and their respective credit agreements provide for this exception.

Short-term and long-term debt availments and payments

On January 27, 2025, the Parent Company availed a long-term loan with a local bank amounting to ₱2,500.0 million maturing in 7 years at a fixed rate of 5.435% p.a.

On February 8, 2025, the Parent Company availed of short-term loans with a local bank amounting to ₱5.0 billion maturing in 3 months at a fixed rate of 5.5% p.a.

On February 11, 2025, the Parent Company fully paid various short-term loans with two local banks amounting to ₱11.5 billion. On the same day, it availed with a local bank short-term loans amounting to ₱11.5 billion maturing in 3 months at a fixed rate of 5.5% p.a.

On March 13, 2025, the Parent Company signed a Samurai Loan facility agreement with Mizuho Bank and Sumitomo Mitsui Banking Corporation of up to US\$200 million (equivalent) in Japanese Yen. The proceeds of this loan facility is intended to fund general corporate purposes. On April 11, 2025, the Parent Company drew JPY14.9 billion from Sumitomo Mitsui Banking Corporation Term Loan Facility with maturity date of March 14, 2030 and at benchmark interest rate of JPY TONAR plus 0.35% spread.

On various dates in March 2025, the Parent Company availed ₱11.0 billion and ₱6.0 billion short-term loans with local banks, maturing in 35 to 89 days at a fixed rate of 5.4% to 5.5% per annum.

During the same period, the Parent Company fully paid two of its short-term loans amounting to ₱6.0 billion and ₱11.0 billion. The Parent Company also made partial payment of a long-term loan amounting to ₱50.0 thousand.

On April 22, 2025, the Parent Company also availed of ₱11.0 billion from a local bank with a term of 5 years and will mature on April 22, 2030. The loan has a floating interest rate at 6.0633% (3-month BVAL at 5.4133+65bps). On the same date, the Parent Company settled a long-term debt with a local bank amounting to ₱17.6 billion.

On various dates in May 2025, the Parent Company availed of ₱11.5 billion and ₱5.0 billion short-term loans from two separate local banks, maturing in 61 to 95 days at fixed interest rates ranging from 5.54% to 5.75% per annum. During the same month, the Parent Company fully paid a short-term loan amounting to ₱16.5 billion and partial settled two long-term loans amounting to ₱50.0 million and ₱148.8 million.

On June 11, 2025, the Parent Company availed of ₱6.0 billion short-term loan with a local bank maturing on August 15, 2025 at a fixed rate of 5.60% per annum and paid a maturing short-term loan with the same bank amounting to ₱6.0 billion. The Parent Company also partial paid ₱50.0 million in long-term loan.

On July 22, 2025, the Parent Company availed of ₱5.0 billion short-term loan with a local bank maturing on August 22, 2025 at a fixed rate of 5.54% per annum. On various dates in July 2025, the Parent Company settled a ₱5.0 billion matured short-term loan and ₱2.7 billion partial payment for a long-term loan.

On August 15, 2025, the Parent Company availed of ₱9.7 billion short-term loan with a local bank maturing on October 15, 2025 at a fixed rate of 5.60% per annum. On various dates in August 2025, the Parent Company paid a total of ₱27.5 billion short-term loan with various banks and a total of ₱0.6 billion partial payment for various long-term loans.

On September 22, 2025, the Parent Company made ₱50.0 million partial settlement of a long-term loan with a local bank.

For the period ended September 30, 2025, the Parent Company rolled over, at their respective maturity dates, foreign currency swaps with various local and foreign financial institutions which were designated to hedge USD foreign currency exchange exposures on its USD-denominated debts that was borrowed on a fixed interest rate. As of September 30, 2025, the Parent Company maintains total of USD100.00 million outstanding foreign currency swap hedges.

Below is the summary of the outstanding Peso bonds issued by the Parent Company:

Year Issued	Term	Interest Rate	Principal Amount	Carrying Value		Features
				September 2025 (Unaudited) (in Thousands)	December 2024 (Audited)	
2017	8 years	4.8200%	₱—	₱—	₱9,989,859	Callable from the 6.5 th anniversary issue until every year thereafter.
2021	5 years	3.7874%	6,000,000	5,982,981	5,972,815	5-year fixed coupon Series B bond callable on the 12 th to 19 th interest payment date with a call option price of 101.0% on the 12 th to 15 th interest payment date and 100.5% on the 16 th to 19 th interest payment date.
2022	3 years	4.4542%	—	—	4,988,606	3-year fixed coupon Series C bond with no call option.
2022	5 years	5.6239%	7,500,000	7,461,579	7,450,002	5-year fixed coupon Series D bond callable on the 12 th to 19 th interest payment date with a call option price of 101.0% on the 12 th to 15 th interest payment date and 100.5% on the 16 th to 19 th interest payment date.
2022	7 years	6.1351%	2,500,000	2,480,999	2,478,241	7-year fixed coupon Series E bond callable on the 16 th to 27 th interest payment date with a call option price

Year Issued	Term	Interest Rate	Principal Amount	Carrying Value		Features
				September 2025 (Unaudited)	December 2024 (Audited)	
(in Thousands)						
						of 102.0% on the 16 th to 19 th interest payment date, a call option price of 101.0% on the 20 th to 23 rd interest payment date and 100.5% on the 24 th to 27 th interest payment date.
			₱16,000,000	₱15,925,559	₱30,879,523	

The outstanding Peso bonds of the Parent Company have been rated “PRS Aaa” by PhilRatings.

The long-term debt of the Parent Company provides for certain restrictions and requirements with respect to maintenance of financial ratios at certain levels. These restrictions and requirements were complied with by the Parent Company as of September 30, 2025 and December 31, 2024 (see Compliance with debt covenants portion). The Parent Company aims to maintain a debt-to-equity ratio not exceeding 3:1 in compliance with loan covenants of AYCFL.

Bond redemption

The Parent Company redeemed the following bonds maturing during the nine months ended September 30, 2025:

- ₱10.0 billion 4.82% Bonds with maturity date on February 10, 2025, and
- ₱5.0 billion 4.4542% Series C Bonds with maturity date on May 26, 2025.

For both redemptions, the payment was made through the Philippine Depository & Trust Corp., the appointed registrar and paying agent of the bonds.

ALI

In compliance with BSP rules on directors, officers, stockholders and related interests, certain short-term and long-term debt are secured by real estate mortgages dated September 2, 2014 and March 14, 2016 covering both land and building of the Greenbelt Mall. Net book value of the property amounted to ₱3.7 billion and ₱3.8 billion as of September 30, 2025 (unaudited) and December 31, 2024 (audited), respectively, which is accounted as part of the Investment properties account.

Philippine Peso 20-year Bonds due 2033

In October 2013, ALI issued a ₱2,000.0 million bond due 2033 at a fixed rate equivalent to 6.0% p.a. The Credit Rating and Investors Services Philippines, Inc. (CRISP) assigned a "AAA" rating on the bonds indicating that it has a minimal credit risk owing to ALI's capacity to repay its debt obligations. AAA is the highest rating assigned by CRISP.

Philippine Peso 7-year and 10-year Bonds due 2026

In March 2016, ALI issued and listed on the PDEX a total of ₱8,000.0 million bonds due 2026 at a fixed rate equivalent to 4.85% p.a. This is the first tranche of debt securities issued under the ALI's 2016 Program. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings. In May 2019, ALI issued and listed on the PDEX ₱8,000.0 million fixed rate bonds due 2026 at a rate equivalent to 6.37% p.a. The Bonds, the first tranche of ALI's 2019 Program, were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 9-year and 6-month Bonds due 2025

In April 2016, ALI issued and listed on the PDEX a total of ₱7,000.0 million bonds due 2025 at a fixed rate equivalent to 4.75% p.a. The Bonds represent the second tranche of debt securities issued under ALI's 2016 Program. The Bonds were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso 7-year and 3-month and 10-year Bonds due 2027

In May 2017, ALI issued its ₱7,000.0 million fixed rate bond due 2027 at a rate equivalent to 5.26% p.a. The Bonds, the fourth tranche of ALI's 2016 Program, were listed on the PDEX and were rated PRS Aaa with a Stable Outlook by PhilRatings. In November 2019, ALI issued a ₱1,000.0 million fixed rate bond due 2027 at a rate equivalent to 4.99% p.a. The Bonds, the third tranche of bonds issued under ALI's 2019 Program, were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 5-year Bonds due 2024

In September 2019, ALI issued and listed on the PDEX its ₱3,000.0 million bonds due 2024 at a fixed rate equivalent to 4.76% p.a. The Bonds represent the second tranche of debt securities issued under ALI's 2019 Program and were rated PRS Aaa with a Stable Outlook by PhilRatings. The bonds were fully paid on its maturity date.

Philippine Peso 5-year Bonds due 2025

In September 2020, ALI issued and listed on the PDEX its ₱6,250.0 million fixed rate bonds due 2025 at a rate equivalent to 3.86% p.a. The Bonds represent the fifth tranche of debt securities issued under ALI's 2019 Program. The Bonds were rated PRS Aaa with a Stable Outlook by PhilRatings.

Philippine Peso 4-year Bonds due 2025

In May 2021, ALI issued and listed on the PDEX its ₱10,000.0 million fixed rate bonds due 2025 at a rate equivalent to 3.63% p.a. The Bonds represent the sixth tranche of debt securities issued under ALI's 2019 Program. The Bonds were rated PRS Aaa with a Stable Outlook by PhilRatings.

The fixed rate bonds have been redeemed by ALI on its maturity date on May 4, 2025.

Philippine Peso 6-year Bonds due 2028

In May 2022, ALI issued a total of ₱12,000.0 million bonds due 2028 at a fixed rate equivalent to 5.81% p.a. The offering is composed of ₱9,500.0 million as the second tranche of debt securities issued under ALI's ₱50,000.0 million Debt Securities Program registered and rendered effective by the SEC on October 11, 2021 (the "2021 Program") while ₱2,500.0 million represent the eighth and final tranche of debt securities that were issued under the 2019 Program. The Bonds were listed on the PDEX and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso 2-Year, 5-Year and 7-year Bonds due 2024, 2027 and 2029

In July 2022, ALI issued a total of ₱33,000 million fixed rate bonds, broken down into ₱12,000.0 million bonds due 2024 at a rate equivalent to 4.40% p.a., ₱7,000.0 million bonds due 2027 at a rate equivalent to 6.21% p.a. and a ₱14,000.0 million bond due 2029 at a rate equivalent to 6.80% p.a. The offering is the third tranche of debt securities issued under ALI's 2021 Program. The Bonds were listed on the PDEX and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

On July 4, 2024, ALI redeemed its matured ₱12,000.0 million 4.40% bonds.

Philippine Peso 5-Year and 10-year Bonds due 2028 and 2033

In June 2023, ALI issued a total of ₱15,000 million fixed rate bonds, broken down into ₱10,075.0 million bonds due 2028 at a rate equivalent to 6.03% p.a. and ₱4,925.0 million bond due 2033 at a rate equivalent to 6.29% p.a. The offering is composed of ₱4,750.0 million issued as the fourth and final tranche of ALI's 2021 Program while ₱10,250.0 million representing the first tranche of debt securities issued under its 2023 Program. The Bonds were listed on the PDEX and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

Philippine Peso 10-year ASEAN Sustainability-Linked Bonds due 2034

In July 2024, ALI issued a total of ₱6,000 million fixed rate Sustainability-Linked Bonds at a rate equivalent to 6.99% p.a. (see Note 3). The offering is the second tranche of debt securities issued under the ALI's 2023 Program. The Bonds were listed on the PDEX and were assigned an issue credit rating of PRS Aaa, with a Stable Outlook by PhilRatings.

The ALI Group is required to maintain a debt-to-equity ratio not exceeding 3:1. The ALI Group has complied with the debt covenant as of September 30, 2025 and December 31, 2024.

AYCFL

2017 AYCFL US\$400.0 Million Senior Unsecured and Guaranteed Fixed For Life Perpetual Notes (Fixed For Life)

On September 7, 2017, the Parent Company announced that AYCFL had successfully set the terms of a US dollar-denominated fixed-for-life senior perpetual issuance at an aggregate principal amount of US\$400 million (₱20,171.9 million) with an annual coupon of 5.13% for life with no reset

and step-up. The issuer, AYCFL, may redeem the Notes in whole but not in part on September 13, 2022 (first redemption date) or any interest payment date falling after the first redemption date at 100% of the principal amount of the Notes plus any accrued but unpaid interest. The Parent Company unconditionally guarantees the due and punctual payment of this note if, for any reason, AYCFL does not make timely payment of the amount due.

In September 2021, the aggregate principal amount of US\$100 million of this 5.13% Undated Notes was tendered and the aggregate amount of US\$300 million remained outstanding after payment.

On May 10, 2022, AYCFL made a tender offer settlement amounting to US\$40.12 million in aggregate principal amount of its 5.13% Undated Notes. Pursuant to the settlement of the Tender Offer, US\$40.12 million in aggregate principal amount of the Notes was repurchased and cancelled pursuant to the terms and conditions of the Notes. Following the cancellation, the aggregate principal amount of the Notes that remained outstanding was US\$259.88 million as of September 30, 2025 (unaudited) and December 31, 2024 (audited).

2019 AYCFL US\$400.0 Million Senior Unsecured and Guaranteed Fixed For Life Perpetual Notes (Fixed For Life)

On October 23, 2019, the Parent Company announced that AYCFL had successfully priced a similar US dollar denominated fixed-for-life senior perpetual issuance at an aggregate principal amount of US\$400 million (₱20,118.9 million) with an annual coupon of 4.85% for life with no reset and step-up. The issuer, AYCFL, may redeem the Notes in whole but not in part on October 30, 2024 (first redemption date) or any interest payment date falling after the first redemption date at 100% of the principal amount of the Notes plus any accrued but unpaid interest. The Parent Company unconditionally guarantees the due and punctual payment of this note if, for any reason, AYCFL does not make timely payment of the amount due.

In September 2021, the aggregate principal amount of US\$35 million of this 4.85% Undated Notes was tendered and the aggregate amount of US\$365 million remained outstanding as of September 30, 2025 (unaudited) and December 31, 2024 (audited).

2021 AYCFL US\$400 Million Senior Fixed-for-Life Perpetual Notes (the Notes)

On September 16, 2021, the Parent Company announced that it had successfully set the terms for a US dollar-denominated fixed-for-life (non-deferrable) senior perpetual issuance. The Notes have an aggregate principal amount of US\$400 million with a fixed coupon of 3.90% for life, with no step-up and no reset, payable semi-annually. The issuer, AYCFL, may redeem the Notes in whole but not in part on September 23, 2026 (first redemption date) or any interest payment date falling after the first redemption date at 100% of the principal amount of the Notes plus any accrued but unpaid interest. The transaction was settled on September 23, 2021, and the Notes are unconditionally and irrevocably guaranteed by the Parent Company.

The Parent Company aims to maintain a debt-to-equity ratio not exceeding 3:1 in compliance with loan covenants of AYCFL.

ACEIC

Philippine Peso ₱10.0 Billion Fixed Rate Bonds due 2027

On September 22, 2022, ACEN issued an unsecured fixed-rate bonds with an aggregate principal of ₱10,000.00 million. The proceeds will be used to finance investments in various solar farms. There are no securities pledged as collateral for these bonds. The issue cost amounted to ₱126.28 million.

The offer is comprised of 5-year bonds due on September 22, 2027 with interest rate of 6.0526% per annum. This issuance is ACEN's first tranche offered out of the shelf registration of debt securities of ₱30,000.00 million to be offered within a period of three (3) years. Interest on the bonds is payable quarterly in arrears starting on December 22, 2022, for the first interest payment date and on March 22, June 22, September 22, and December 22 each year for each subsequent payment date.

FFL Bonds / Green Bonds

Green bonds

ACEFIL – Medium Term Note (MTN) Programme

On January 16, 2019, ACEFIL established its MTN Programme with an aggregate amount of US\$1,000.00 million (P48,470.0 million). The proceeds from each issue under the MTN Programme will be used for general corporate purposes, including eligible green projects and other use of proceeds under ACEFIL's green bond framework.

On November 17, 2020, ACEFIL amended the MTN Programme to increase the aggregate amount to US\$2,000.0 million (P94,960.0 million) and allow the issuance of senior undated guaranteed notes under the MTN Programme.

ACEFIL – Senior guaranteed notes due 2024 and 2029 and Senior undated guaranteed notes under the MTN Programme

On January 29, 2019, ACEFIL issued US\$225.0 million (P11,417.4 million) senior guaranteed notes due 2024 guaranteed by ACEIC with a fixed coupon of 4.75%. The notes were priced at 99.45.

On July 9, 2020, ACEFIL issued US\$60.00 million (P2,908.2 million) senior guaranteed notes due 2029 guaranteed by ACEIC with a fixed coupon of 4.75%. The notes were priced at 104.75.

On November 25, 2020, ACEFIL issued US\$300.0 million (P14,541.0 million) senior undated guaranteed notes with a fixed coupon of 5.10% for life. The notes were priced at par. The new issue was used to finance the successful tender of US\$186.9 million (P9,058.5 million) of the US\$400.0 million (P19,388.0 million) 5.65% senior undated guaranteed notes at a tender price of US\$104.6.

On January 12, 2024, ACEFIL, a wholly owned subsidiary of ACEIC, entered to a loan agreement with a lender for US\$10.00 million with ACEIC acting as a guarantor of ACEFIL. This loan obtained by ACEFIL shall be used to redeem its maturing green bonds in January 2024.

On January 25, 2024, ACEFIL redeemed US\$360.0 million of the Senior guaranteed notes under the MTN Programme. Remaining outstanding guaranteed notes amounted to US\$410.0 million.

Redemption at the option of the issuer

At any time, ACEFIL may on any one or more occasions redeem all or part of the "notes under the MTN Programme", by giving notice, at redemption price equal to 100% of the principal amount of the "notes under the MTN Programme" redeemed, plus the applicable premium (as defined in the respective pricing supplements) as of date, and accrued and unpaid interest, if any, to the date of redemption, subject to the rights of the person in whose name the "notes under the MTN Programme" is registered on the relevant record date to receive interest due on the relevant interest payment date.

ACEN Finance – Medium Term Note (MTN) Programme

On August 31, 2021, ACEN Finance Limited (ACEN Finance) established its MTN Programme with an aggregate amount of US\$1,500.0 million. The proceeds from each issue under the MTN Programme will be used for general corporate purposes, including but not limited to, working capital, funding investment activities, development of projects, refinancing and/or repayment of indebtedness and on-lending activities within the ACEN Group. Notes to be issued out of the MTN Programme designated as Green Bonds may be allocated towards the financing and/or refinancing of Eligible Green Projects in accordance with certain prescribed eligibility criteria described under ACEN's Green Bond Framework.

The Notes to be issued by ACEN Finance under its medium-term note program; may be distributed by way of private or public placement; and will be listed on the Singapore Exchange Securities Trading platform (SGX-ST).

ACEN Finance – Senior guaranteed undated FFL notes (Notes) under the MTN Programme

On September 8, 2021, ACEN Finance issued US\$400.0 million senior undated fixed-for-life (non-deferrable) Notes guaranteed by ACEN with a fixed coupon of 4% for life, with no step-up and no reset, priced at par. An amount equal to the net proceeds will be used to finance or refinance, in

whole or in part, new or existing Eligible Green Projects in accordance with ACEN's Green Bond Framework. On September 9, 2021, the Notes were listed with the SGX-ST.

For as long as the senior guaranteed undated fixed-for-life notes remain outstanding, ACEN Finance Limited and ACEN are required to comply with certain covenants including the creation and permission to subsist only the liens created in respect of the limited recourse project financing of any project company and maintain a maximum net debt to equity ratio of 2.5:1.0 based on ACEN consolidated financials. These were complied as of September 30, 2025 and December 31, 2024.

The unsecured US dollar-denominated senior Green Bonds requires ACEIC Group to comply with certain covenants including among others, limitations on the incurrence or guarantee of additional indebtedness, creation or incurrence of certain liens, creation or permission of any restrictions on the payment of dividends to ACEIC Group by certain of ACEIC Group's subsidiaries, entering into unrelated businesses or engagement in certain activities, and limitations on the consolidation, merging or selling of all or substantially all of ACEIC Group's properties and assets with other entities if ACEIC is not the surviving entity. The incurrence test for additional debt requires the Group to maintain a net debt to total equity ratio not exceeding 2.5 to 1.0. These were complied with by ACEIC Group as of September 30, 2025 and December 31, 2024.

As of September 30, 2025 (unaudited) and December 31, 2024 (audited), certain ACEIC property, plant, and equipment were mortgaged as security for the long-term debt of the ACEIC Group (see Note 12).

Other loans

Omnibus Loan and Security Agreement for Giga Ace 6, Inc.'s (GA06)

On March 29, 2025, ACEN together with its wholly owned subsidiaries, ACEN Global Development Group, Inc. ("AGDGI", formerly ACE Endeavor, Inc.) and GA06 signed an Omnibus Loan and Security Agreement ("OLSA") with local banks for a senior secured green term loan facility of up to ₱34.4 billion to partially finance GA06's 345MW Quezon North Onshore Wind Power Project located in the Municipalities of Mauban and Real, Quezon, Philippines and Municipalities of Paete and Kalayaan, Laguna, Philippines.

ACEN is the sponsor, share security grantor, guarantor and grantor. AGDGI is a sponsor, share security grantor, and grantor. GA06 is the borrower, mortgagor, and grantor.

As of September 30, 2025, there is no drawdown made from the facility.

ACEN Australia secures AU\$750 million financing

On April 10, 2025, ACEN Australia completed a AU\$750.0 million portfolio debt financing to support its near-complete 520 MWdc (400 MWac) Stubbo Solar project in New South Wales and to refinance New England Solar Farm 1 (NESF1) project finance and outstanding corporate facilities. The transaction was supported by a group of 11 leading Australian and international lenders.

As of September 30, 2025, the proceeds from the portfolio debt financing totaling ₱12.9 billion (AU\$373.00 million), including upfront costs amounting to ₱554.6 million (AU\$16.00 million), were used to refinance New England Solar Farm 1 (NESF1) project finance amounting to ₱6.0 billion (AU\$174.00 million), as well as two corporate loans amounting to ₱4.9 billion (AU\$140.00 million) and ₱1.5 billion (AU\$43.00 million), respectively. The amount drawn was partially hedged (80%) at an effective rate of 5.075%.

ACEN International, Inc. term loan facility

On May 9, 2025, ACEN International, Inc., and ING Bank, N.V., Manila Branch completed the signing of a term loan facility worth EUR50.0 million to be used to finance and/or refinance investment in and/or advances to existing and future renewable energy projects through its subsidiaries and joint ventures, and for general corporate purposes.

As of June 30, 2025, ₱1.6 billion (EUR25.00 million) has been drawn from the facility.

ACEN Corporate Guarantee for Australia projects

On February 26, 2024, ACEN, as Guarantor to its subsidiary ACEN Australia Pty Ltd. ("ACEN Australia"), executed Facility Agreements with ACEN Australia, and each of Australia and New

Zealand Banking Group Limited (ANZ), and Westpac Banking Corporation (WBC). Each bank is providing a green term loan facility with a limit of AUD75.0 million. ANZ and WBC also entered into an Accession Letters to include ANZ and WBC as Lenders under the Common Provisions Agreement dated August 18, 2022, as amended through an Amending Deed on January 6, 2023 (with ACEN Australia, DBS Bank Ltd., Australia Branch, MUFG Bank, Ltd., Sydney Branch, Clean Energy Finance Corporation, Bank of China (Hong Kong) Limited, Bank of China (Hong Kong) Limited – Manila Branch, CTBC Bank Co., Ltd, Singapore Branch, CTBC Bank (Philippines) Corporation, Standard Chartered Bank, Australia Branch, and ACEN as Guarantor to ACEN Australia).

Guarantees

The Parent Company or its subsidiaries may act as guarantor on debt taken out by other subsidiaries within the Group. Both domestic and foreign loans of the Group may be subject to guarantees. Any guarantees as of September 30, 2025 (unaudited) and December 31, 2024 (audited) are discussed in those entities' SEC 17-Q or SEC 17-A reports and/or audited financial statements.

Compliance with debt covenants

The loan agreements on long-term debt of the Parent Company and some subsidiaries provide for certain restrictions and requirements with respect to, among others, declaration and/or payment of dividends, incurrence of additional liabilities, investment and guaranties, mergers or consolidations or other material changes in their ownership, corporate set-up or management, acquisition of treasury stock, disposition and mortgage of assets and maintenance of financial ratios at certain levels. These restrictions and requirements were complied with by the Group as of September 30, 2025 and December 31, 2024. For the Parent Company, these covenants include, among others, certain ratios like:

- Debt to equity ratio of not to exceed 3:1
- Net debt to tangible net worth ratio of not to exceed 3:1
- Current ratio of not lower than 0.5:1

16. Equity

Details of the Parent Company's paid-in capital follow:

	Preferred Shares – A	Preferred Shares – B	Voting Preferred Shares	Common Shares	Subscribed Shares	Additional Paid-in Capital	Subscriptions Receivable	Total Paid-in Capital	Treasury Shares
					(in Thousands)				
At January 1, 2025 (Audited)	₱1,200,000	₱5,800,000	₱200,000	₱31,478,499	₱310,075	₱57,246,480	(₱2,850,849)	₱93,384,205	(₱14,220,992)
Exercise/cancellation/subscription of ESOP/ESOWN - net of issuance cost	–	–	–	10,298	11,712	263,767	(245,900)	39,877	–
Buyback of common shares	–	–	–	–	–	–	–	–	(972,875)
Reissuance of preferred shares - net of issuance cost	–	–	–	–	–	18,841,277	–	18,841,277	1,000,000
Collection of subscription receivables	–	–	–	–	–	–	117,775	117,775	–
At September 30, 2025 (Unaudited)	₱1,200,000	₱5,800,000	₱200,000	₱31,488,797	₱321,787	₱76,351,524	(₱2,978,974)	₱112,383,134	(₱14,193,867)
	Preferred Shares – A	Preferred Shares – B	Voting Preferred Shares	Common Shares	Subscribed Shares	Additional Paid- in Capital	Subscriptions Receivable	Total Paid-in Capital	Treasury Shares
					(in Thousands)				
At January 1, 2024 (Audited)	₱1,200,000	₱5,800,000	₱200,000	₱31,475,111	₱277,503	₱54,980,070	(₱2,698,931)	₱91,233,753	(₱14,546,351)
Exercise/ cancellation/ subscription of ESOP/ESOWN	–	–	–	3,388	32,572	515,208	(423,097)	128,071	–
Collection of subscription receivables	–	–	–	–	–	–	271,179	271,179	–
Sale of treasury common shares	–	–	–	–	–	(379,882)	–	(379,882)	2,575,359
Redemption of preferred shares	–	–	–	–	–	(12,000,000)	–	(12,000,000)	(3,000,000)
Reissuance of preferred shares	–	–	–	–	–	14,131,084	–	14,131,084	750,000
At December 31, 2024 (Audited)	₱1,200,000	₱5,800,000	₱200,000	₱31,478,499	₱310,075	₱57,246,480	(₱2,850,849)	₱93,384,205	(₱14,220,992)

Common shares

Buyback of shares

On September 18, 2025, the BOD approved the expansion of the coverage of the Parent Company's share buyback program (the "Program"), to include the purchase of shares of its publicly listed subsidiaries, as endorsed by the Ayala's Finance Committee. The Program has an outstanding approval of ₱20.0 billion, as previously disclosed on December 5, 2019 and December 10, 2021.

On September 30, 2025, the Parent Company repurchased 2.0 million common shares. Refer to Note 23 for share buybacks after the reporting period.

Preferred shares

Reissuance of Preferred "B" Shares

On January 20, 2025, the Parent Company fully utilized the proceeds generated from the reissuance of Preferred Class "B" Series 3 Shares (ACPB3) with net proceeds amounting to ₱14.9 billion.

On March 13, 2025, the Parent Company's BOD approved the issuance of Philippine Peso Preferred Shares with a base amount of ₱10.0 billion with an oversubscription option for up to an additional ₱10.0 billion, subject to regulatory requirements.

On April 15, 2025, the Parent Company filed a Registration Statement with the SEC with respect to its proposed offer and reissuance of Preferred "B" shares and has also simultaneously submitted the corresponding Application for Listing of Stocks with the PSE. The Registration Statement and Application for Listing are subject to the review of the relevant regulatory body and compliance with their corresponding requirements

On May 30, 2025, the Parent Company received the Certificate of Permit to Offer Securities for Sale from the SEC in relation to the offer and sale by way of re-issuance of ₱10.0 billion worth of 5,000,000 cumulative, non-convertible, non-voting, non-participating, redeemable, Philippine Peso-denominated perpetual preferred "B" shares (the "Base Offer", and such shares the "Base Offer Shares"), with an oversubscription option of up to ₱10.0 billion (the "Oversubscription Option", together with the Base Offer, the "Offer") worth of up to 5.0 million preferred "B" shares (the "Oversubscription Offer Shares", together with the Base Offer Shares, the "Offer Shares"). The initial rate for dividends on the Offer Shares, as and if declared by the BOD of Ayala, has been set at a fixed rate of 6.2903% per annum, calculated in respect of each Dividend Period (as defined in the prospectus dated May 28, 2025 for the Offer (the "Prospectus") subject to adjustment, if not redeemed, on the payment date of the 20th Dividend Period, which falls on the 5th anniversary of the Issue Date. The Offer Shares have no voting and pre-emptive rights. The Offer Period was from June 2 to 9, 2025 with the Issue and Listing Date being June 19, 2025.

The Parent Company applied for the Offer Shares to be listed and tradeable on PSE on June 19, 2025 under the ticker symbol ACPB4. The net proceeds of the Offer will be used to fund the refinancing of Philippine Peso-denominated obligations and an indirect investment in ACEN Corporation, as described in the Prospectus.

Voting preferred shares

On May 21, 2025, the dividend rate of the Parent Company's 200.0 million voting preferred shares was repriced from 4.8096% per annum to 5.7967% per annum, which is equal to the 3-year PHP BVAL reference rate as of May 20, 2025 and will be applicable until May 20, 2028, the next re-pricing date.

Clause 3 of the Terms and Conditions of the Offer and Subscription of the Shares provides that the dividend rate on the voting preferred shares will be re-priced on every third-year anniversary from the Issue Date, using 3-year PDST-R2 on the subsequent re-pricing dates. In case the PDST-R2 ceases to be an acceptable benchmark, the dividend rate shall mean the replacement mark-to-market benchmark that the Bankers' Association of the Philippines will utilize.

The PDS Treasury Reference Rates R1 (PDST-R1) and R2 (PDST-R2) have been decommissioned as of October 26, 2018 end-of-day and that the Bankers' Association of the Philippines now utilize PHP BVAL Reference Rates as replacement benchmark.

Employee Stock Option Plan (ESOP)/ Employee Stock Ownership Plan (ESOWN)

On April 25, 2025, the Parent Company's stockholders approved the amendment of the Parent Company's Employee Stock Ownership (ESOWN) Plan including provisions on the implementation of the Restricted Share Plan to complement the ESOWN Program as Long-Term Incentive Programs for the Corporation's employees, directors (excluding independent directors), and consultants of the Ayala Group, as approved and endorsed by its BOD.

On the same date, the Parent Company's BOD approved the 2025 stock option program pursuant to the Parent Company's ESOWN Plan. The 2025 stock option program authorizes the grant to 114 executives, in accordance with the terms of the ESOWN Plan, stock options covering up to a total of 812,000 common shares at a subscription price of ₱558.61 per share, which is the rounded off volume-weighted average prices of Ayala's common shares at the PSE over the last 5-day trading days from April 16 to April 24, 2025.

On May 27, 2025, 87 grantees subscribed to a total of 440,200 common shares at ₱558.61 per share under the 2025 General ESOWN grant of 2005 ESOWN, as amended. As a result of the subscriptions, the Parent Company's issued common shares are now 636,211,677 and outstanding common shares are 624,036,976.

Retained earnings

In accordance with the Revised SRC Rule 68 and SEC Memorandum Circular No. 16-2023, the Parent Company's retained earnings available for dividend declaration as of September 30, 2025 (unaudited) and December 31, 2024 (audited) amounted to ₱67.0 billion and ₱67.9 billion, respectively.

For further details, refer to Section 3 – Reconciliation of Retained Earnings Available for Dividend Declaration.

Cash dividends

The details on the cash dividends declared by the Parent Company for the periods ended September 30, 2025 and 2024 (both unaudited) are shown below.

	Per Share		Amount	
	September 2025 (Unaudited)	September 2024 (Unaudited)	September 2025 (Unaudited)	September 2024 (Unaudited)
Cash dividends			(In Thousands)	
Dividends to common shares declared during the period:	₱4.6050	₱4.1866	₱2,873,690	₱2,597,897
Dividends to equity preferred shares declared during the period:				
Preferred A	₱119.2256	₱119.2256	₱625,281	₱625,281
Preferred B – Series 3	90.8070	18.0803	681,053	542,408
Preferred B – Series 4	31.4515	–	314,515	–
Voting preferred shares	0.0481	0.0481	9,619	9,619

Property dividends

The dividend distribution commenced in January 2023 and will continue as and when electronic Certificates Authorizing Registration (eCARs) are issued by BIR. The eCAR issuance is a prerequisite for the transfer of the properties of the Parent Company, i.e. the ACEN shares, to each entitled stockholder as of the record date and it is a process that entails the participation of both the Parent Company, as transferor, and the stockholders, as transferees.

As of September 30, 2025 (unaudited) and December 31, 2024 (audited), the Parent Company has property dividends payable to common stockholders amounting to ₱112.7 million and ₱133.2 million, respectively.

As of September 30, 2025 (unaudited) and December 31, 2024 (audited), the Parent Company has significantly completed the distribution of property dividends. The BIR's issuance of eCARs and subsequent distribution of ACEN shares are ongoing.

Transactions with non-controlling interests

As of September 30, 2025, the Group had various transactions with its non-controlling interests related to ACEIC's and ALI's acquisition of shares held by non-controlling shareholders in its investments in ISLASOL and Roxas Land, and ALI's block sale of AREIT shares (see Note 3).

Capital management

The primary objective of the Parent Company's capital management policy is to ensure that it maintains a robust statement of financial position in order to support its business and maximize shareholder value.

The Parent Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Parent Company may adjust the dividend payment to shareholders or issue new shares. No changes were made in the objectives, policies or processes for the periods ended September 30, 2025 and December 31, 2024.

The Parent Company monitors capital using a gearing ratio of debt to equity and net debt to equity. Debt consists of short-term and long-term debt of the Group. Net debt includes short-term and long-term debt less cash and cash equivalents, and short-term investments of the Group. The Parent Company considers as capital the total equity.

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Short-term debt	₱94,193,799	₱75,556,284
Long-term debt	589,561,083	591,202,846
Total debt	683,754,882	666,759,130
Less:		
Cash and cash equivalents	76,481,532	75,501,736
Short-term investments	954,308	723,567
Net debt	606,319,042	590,533,827
Total equity	₱792,230,171	₱725,581,720
Debt to equity	86.3%	91.9%
Net debt to equity	76.5%	81.4%

The loan agreements on long-term debt of the Parent Company and some subsidiaries provide for certain restrictions and requirements with respect to, among others, payment of dividends, incurrence of additional liabilities, investment and guaranties, mergers or consolidations or other material changes in their ownership, corporate set-up or management, acquisition of treasury stock, disposition and mortgage of assets and maintenance of financial ratios at certain levels. These restrictions and requirements were complied with by the Group as of September 30, 2025 and December 31, 2024.

The Parent Company also monitors capital through return-to-common equity ratio. For this ratio, the Parent Company considers as capital the average amount of equity with the exclusion of accounts pertaining to preferred shares and the non-controlling interests.

	September 2025 (Unaudited)	September 2024 (Unaudited)
	(in Thousands)	
Net income attributable to owners of the parent	₱46,265,477	₱33,964,751
Less: Dividends to equity preferred shares	1,630,467	1,177,307
Net income attributable to common shares owners of the parent	44,635,010	32,787,444
Average common equity attributable to owners of the parent	₱429,703,281	₱388,869,795
Return to common equity	10.4%	8.4%

17. Earnings Per Share

The following table presents information necessary to calculate earnings per share (EPS) on net income attributable to owners of the Parent Company:

	2025 (Unaudited)		2024 (Unaudited)	
	Jul. to Sep.	Jan. to Sep.	Jul. to Sep.	Jan. to Sep.
(in Thousands, except EPS figures)				
Net income attributable to the owners of the Parent Company	₱22,907,929	₱46,265,477	₱11,678,264	₱33,964,751
Less: Dividends on preferred stocks	(749,959)	(1,630,467)	(389,229)	(1,177,307)
	22,157,970	44,635,010	11,289,035	32,787,444
Less: Profit impact of assumed conversions of potential ordinary shares of investees	(17,271)	(39,272)	(11,820)	(43,380)
	₱22,140,698	₱44,595,738	₱11,277,214	₱32,744,064
Weighted average number of common shares	623,573	623,573	620,474	620,474
Dilutive shares arising from stock options	—	—	—	—
	623,573	623,573	620,474	620,474
EPS Basic	₱35.53	₱71.58	₱18.18	₱52.77
Diluted	₱35.51	₱71.52	₱18.18	₱52.77

The effect of the stock option in the earnings per share for the period ended September 30, 2025 is anti-dilutive.

18. Revenue

This account consists of:

	September 2025 (Unaudited)	September 2024 (Unaudited)
(in Thousands)		
Revenue from contracts with customers:		
Real estate	₱91,362,509	₱90,520,761
Manufacturing services	43,065,589	47,979,065
Automotive	40,714,719	20,821,801
Power generation	22,680,817	27,911,794
Others	13,116,783	14,517,293
	210,940,417	201,750,714
Rental income	27,660,931	31,126,097
Sale of goods and rendering of services	238,601,348	232,876,811
Share in net profits of associates and joint ventures	36,099,250	35,576,104
	₱274,700,598	₱268,452,915

Disaggregated revenue information

Set out below is the disaggregation of revenue from contracts with customers of the material subsidiaries of the Group:

ALI Group

Revenue from contracts with customers of ALI Group consists of:

	September 2025 (Unaudited)	September 2024 (Unaudited)
	(in Thousands)	
Revenue from contracts with customers:		
Residential development	₱75,864,206	₱74,603,350
Hotels and resorts	7,434,075	7,425,687
Construction	5,933,898	8,491,724
Others	2,130,330	–
	₱91,362,509	₱90,520,761

ALI Group derives revenue from the transfer of goods and services over time and at a point in time, in different product types. ALI Group's disaggregation of revenue from contracts with customers from residential development, the biggest revenue segment, are presented below:

	September 2025 (Unaudited)	September 2024 (Unaudited)
	(in Thousands)	
Type of product		
Middle income housing	₱26,409,360	₱23,525,884
Coremid	20,092,716	14,069,434
Condominium	19,596,865	21,562,444
Lot only	9,765,265	15,445,588
	₱75,864,206	₱74,603,350

All of ALI Group's real estate sales from residential development are revenue from contracts with customers recognized over time.

IMI Group

The following table presents revenue of IMI Group per market segment:

	September 2025 (Unaudited)	September 2024 (Unaudited)
	(in Thousands)	
Automotive	₱27,719,906	₱32,464,760
Industrial	12,741,687	12,467,374
Medical	977,544	951,520
Consumer	915,231	1,208,526
Telecommunication	137,532	371,731
Multiple market/others	573,689	515,154
	₱43,065,589	₱47,979,065

Translated using the weighted average exchange rate for the period (US\$1: ₱57.50 and ₱57.05 as of September 30, 2025 and 2024, respectively).

19. Segment Information

Business segment information is reported on the basis that is used internally for evaluating segment performance and deciding how to allocate resources among operating segments. Accordingly, the primary segment reporting format is by business segment.

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

- Parent Company – represents operations of the Parent Company including its financing and investing entities such as ACIFL, AYCFL, PFIL, and MHI.
- Real estate and hotels – planning and development of large-scale fully integrated mixed-used communities that become thriving economic centers in their respective regions. These include development and sale of residential, leisure and commercial lots and the development and leasing of retail and office space and land in these communities; construction and sale of residential condominiums and office buildings; development of industrial and business parks;

development and sale of high-end, upper middle-income and affordable and economic housing; strategic land bank management; hotel, cinema and theater operations; and construction and property management.

- Financial services and insurance – commercial banking operations with expanded banking license. These include diverse services such as deposit taking and cash management (savings and time deposits in local and foreign currencies, payment services, card products, fund transfers, international trade settlement and remittances from overseas workers); lending (corporate, consumer, mortgage, leasing and agri-business loans); asset management (portfolio management, unit funds, trust administration and estate planning); securities brokerage (on-line stock trading); foreign exchange and capital markets investments (securities dealing); corporate services (corporate finance, consulting services); investment banking (trust and investment services); a fully integrated bancassurance operations (life, non-life, pre-need and reinsurance services); and other services (internet banking, foreign exchange and safety deposit facilities).
- Telecommunications (Telecoms) – provider of digital wireless communications services using a fully digital network; domestic and international long distance communication services or carrier services; broadband internet and wireline voice and data communication services; also licensed to establish, install, operate and maintain a nationwide local exchange carrier (LEC) service, particularly integrated local telephone service with public payphone facilities and public calling stations, and to render and provide international and domestic carrier and leased line services. In recent years, operations include developing, designing, administering, managing and operating software applications and systems, including systems designed for the operations of bill payment and money remittance, payment facilities through various telecommunications systems operated by telecommunications carriers in the Philippines and throughout the world and to supply software and hardware facilities for such purposes.
- Industrial technologies – global provider of electronics manufacturing services (EMS) and power semiconductor assembly and test services with manufacturing facilities in Asia, Europe, and North America. It serves diversified markets that include those in the automotive, industrial, medical, telecommunications infrastructure, storage device, and consumer electronics industries. Committed to cost-development to manufacturing and order fulfillment), the company's comprehensive capabilities and global manufacturing presence allow it to take on specific outsourcing needs.
- Power – unit that will build a portfolio of power generation assets using renewable and conventional technologies which in turn will operate business of generating, transmission of electricity, distribution of electricity and supply of electricity, including the provision of related services.
- Automotive and Others – includes operations of the following:
 - Automotive/ Motors – business on manufacturing, distribution and sale plus providing repairs and services for passenger cars, commercial vehicles, motorcycles. Initiatives include industrial manufacturing activity for long-term synergy and integration with automotive business.
 - Healthcare – catering to accessible, affordable, and quality healthcare for all Filipinos by building, investing, and connecting various businesses into an integrated and seamless ecosystem of services across the continuum of care.
 - Infrastructure – development arm for various types of infrastructure
 - Logistics – business unit provides end-to-end logistics solutions to cater to all customers across the value chain.
 - Water – water delivery, sewerage, sanitation, distribution services, pipeworks, used water management and management services; also exclusively provides water services, facilities to all property development projects of major real estate companies.
 - Education – delivering accessible, quality education that enables significantly improved employability for our high school and college graduates; with mission to transform lives and society by innovating Philippine education and research.
 - Venture capital – platform for peeking into new technologies and business models that are relevant to the group; aims to be an enabler by investing in adjacent businesses that are

complementary to Ayala's existing business units and a pathfinder by investing in new sectors, emerging trends, and innovative businesses.

- International unit – strategic investments in overseas property companies and projects
- Others – includes outsourcing services unit (onshore and offshore outsourcing services in the research, analytics, legal, electronic discovery, document management, finance and accounting); aviation (air-chartered services); retail, and other operating companies

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

For the periods ended September 30, 2025 and 2024 and December 31, 2024, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers.

Intersegment transfers or transactions are entered into under the normal commercial terms and conditions that would also be available to unrelated third parties. Segment revenue, segment expense and segment results include transfers between operating segments. Those transfers are eliminated in consolidation.

The various business segments in the Group are not affected by seasonality in operations.

The following tables regarding operating segments present revenue and income information for the periods ended September 30, 2025 and 2024 (both unaudited), and assets and liabilities as of September 30, 2025 (unaudited) and December 31, 2024 (audited).

September 2025 (Unaudited)
(in Millions)

	Parent Company	Real Estate and Hotels	Financial Services and Insurance	Telecoms	Industrial Technologies	Power Generation	Automotive and Others	Intersegment Eliminations / Consolidation Adjustments	Consolidated
Revenue									
Sales to external customers	P84	P118,503	P–	P–	P42,801	P22,823	P54,391	P–	P238,602
Intersegment	219	744	–	–	20	–	255	(1,238)	–
Share of profit of associates and joint ventures	–	1,616	22,583	5,511	–	3,775	2,614	–	36,099
	303	120,863	22,583	5,511	42,821	26,598	57,260	(1,238)	274,701
Costs and expenses									
Costs of sales and services	6	68,754	–	–	38,927	17,428	47,892	(916)	172,091
General and administrative expenses**	4,110	7,730	–	–	2,612	7,784	8,890	(100)	31,026
	4,116	76,484	–	–	41,539	25,212	56,782	(1,016)	203,117
Other income (charges) - net									
Interest income	805	605	–	–	39	7,181	494	(133)	8,991
Other income**	10,432	586	–	–	114	1,006	3,774	272	16,184
Interest and other financing charges	(7,890)	(13,842)	–	–	(904)	(5,374)	(1,384)	142	(29,252)
	3,347	(12,651)	–	–	(751)	2,813	2,884	281	(4,077)
Net income (loss) before income tax	(466)	31,728	22,583	5,511	531	4,199	3,362	59	67,507
Provision for (benefit from) income tax	185	5,989	–	–	249	(435)	450	(31)	6,407
Net income (loss)*	(P651)	P25,739	P22,583	P5,511	P282	P4,634	P2,912	P90	P61,100
*NIAT slightly different vs. the reported NIAT of certain business units due to cut-off adjustments taken up at AC consolidated FS. Along with other cut-off adjustments, the net effect to consolidated NIAT is less than 1%.									
** Refer to Section 2-Management's Discussion and Analysis and 2.8-Cause of any material variances.									
Other information									
Segment assets	P74,772	P921,938	P–	P–	P44,620	P349,385	P96,050	(P76,108)	P1,410,657
Investments in associates and joint ventures	314,092	32,260	–	–	–	61,251	14,914	–	422,517
Deferred tax assets	151	13,402	–	–	168	3,635	932	687	18,975
Total assets	P389,015	P967,600	P–	P–	P44,788	P414,271	P111,896	(P75,421)	P1,852,149
Segment liabilities	P214,066	P586,761	P–	P–	P29,318	P225,093	P51,632	(P61,144)	P1,045,726
Deferred tax liabilities	150	9,997	–	–	58	1,659	2,329	–	14,193
Total liabilities	P214,216	P596,758	P–	P–	P29,376	P226,752	P53,961	(P61,144)	P1,059,919
Depreciation and amortization	P201	P7,916	P–	P–	P1,164	P2,898	P1,404	(P72)	P13,511
Non-cash expenses other than depreciation and amortization	P934	P501	P–	P–	P36	P3,871	P469	P41	P5,852
Segment additions to property, plant and equipment and investment properties	P155	P26,924	P–	P–	P263	P14,684	P1,275	(P2,224)	P41,077
Cash flows provided by (used in):									
Operating activities	(P10,335)	P18,470	P–	P–	P4,785	P5,210	(P5,559)	P1,976	P14,547
Investing activities	P28,013	(P29,827)	P–	P–	P308	(P17,531)	P25,455	(P28,015)	(P21,597)
Financing activities	(P7,495)	P9,668	P–	P–	(P3,676)	P2,266	(P19,634)	P26,039	P7,168

September 2024 (Unaudited)
(in Millions)

	Parent Company	Real Estate and Hotels	Financial Services and Insurance	Telecoms	Industrial Technologies	Power Generation	Automotive and Others	Intersegment Eliminations / Consolidation Adjustments	Consolidated
Revenue									
Sales to external customers	P27	P123,208	P–	P–	P47,758	P28,054	P33,830	P–	P232,877
Intersegment	107	(1,561)	–	–	71	–	262	1,121	–
Share of profit of associates and joint ventures	–	1,432	21,611	6,413	–	4,125	1,995	–	35,576
	134	123,079	21,611	6,413	47,829	32,179	36,087	1,121	268,453
Costs and expenses									
Costs of sales and services	11	73,683	–	–	43,809	20,094	29,867	1,223	168,687
General and administrative expenses	7,134	7,131	–	–	6,057	4,938	12,139	385	37,784
	7,145	80,814	–	–	49,866	25,032	42,006	1,608	206,471
Other income (charges) - net									
Interest income	500	558	–	–	83	7,518	581	(126)	9,114
Other income	4,038	620	–	–	791	3,633	1,363	469	10,914
Interest and other financing charges	(7,293)	(12,225)	–	–	(881)	(3,703)	(1,002)	127	(24,977)
	(2,755)	(11,047)	–	–	(7)	7,448	942	470	(4,949)
Net income (loss) before income tax	(9,766)	31,218	21,611	6,413	(2,044)	14,595	(4,977)	(17)	57,033
Provision for (benefit from) income tax	52	5,960	–	–	139	805	424	45	7,425
Net income (loss)*	(P9,818)	P25,258	P21,611	P6,413	(P2,183)	P13,790	(P5,401)	(P62)	P49,608
*NIAT slightly different vs. the reported NIAT of certain business unit due to cut-off adjustments taken up at AC consolidated FS. Along with other cut-off adjustments, the net effect to consolidated NIAT is less than 1%.									
Other information									
Depreciation and amortization	P193	P7,751	P–	P–	P1,418	P1,791	P1,655	(P127)	P12,681
Non-cash expenses other than depreciation and amortization	P4,024	P475	P–	P–	P1,522	P822	P4,602	638	P12,083
Segment additions to property, plant and equipment and investment properties	P188	P15,748	P–	P–	P369	P26,627	P2,541	P4,862	P50,335
Cash flows provided by (used in):									
Operating activities	(P8,660)	P3,505	P–	P–	P3,559	P10,446	(P6,503)	P5,206	P7,553
Investing activities	(P11,156)	(P18,852)	P–	P–	(P45)	(P33,581)	(P17,377)	P33,636	(P47,375)
Financing activities	P14,806	P18,653	P–	P–	(P3,484)	P12,732	P23,972	(P30,020)	P36,659

December 2024 (Audited)
(in Millions)

	Parent Company	Real Estate and Hotels	Financial Services and Insurance	Telecoms	Industrial Technologies	Power Generation	Automotive and Others	Intersegment Eliminations / Consolidation Adjustments	Consolidated
Assets and liabilities									
Segment assets	₱64,867	₱873,722	₱—	₱—	₱46,492	₱333,001	₱79,292	(₱69,490)	₱1,327,884
Investments in associates and joint ventures	272,925	30,734	—	—	—	58,917	38,646	—	401,222
Deferred tax assets	151	14,853	—	—	216	3,372	955	673	20,220
Total assets	₱337,943	₱919,309	₱—	₱—	₱46,708	₱395,290	₱118,893	(₱68,817)	₱1,749,326
Segment liabilities	₱234,197	₱549,559	₱—	₱—	₱33,587	₱209,292	42,197	(₱60,471)	₱1,008,361
Deferred tax liabilities	73	10,468	—	—	56	2,195	2,591	—	15,383
Total liabilities	₱234,270	₱560,027	₱—	₱—	₱33,643	₱211,487	44,788	(₱60,471)	₱1,023,744
Depreciation and amortization	₱261	₱10,275	₱—	₱—	₱1,885	₱2,658	₱2,271	(₱158)	₱17,192
Non-cash expenses other than depreciation and amortization	₱3,846	₱255	₱—	₱—	₱3,751	₱1,150	₱5,763	₱489	₱15,254
Segment additions to property, plant and equipment and investment properties	₱348	₱34,349	₱—	₱—	₱545	₱34,013	₱2,740	(₱4,141)	₱67,854
Cash flows provided by (used in):									
Operating activities	(₱10,377)	₱31,212	₱—	₱—	₱3,750	₱8,012	(₱5,031)	(₱20,197)	₱7,369
Investing activities	(₱2,111)	(₱54,683)	₱—	₱—	(₱34)	(₱40,752)	(₱23,391)	56,632	(₱64,339)
Financing activities	₱12,377	₱27,830	₱—	₱—	(₱4,101)	₱18,753	₱28,830	(₱26,980)	₱56,709

20. Fair Value Measurement and Derivative Instruments and Financial Instruments

A. Fair Value Measurement and Derivative Instruments

Fair Value of Financial and Nonfinancial Instruments

The carrying amounts approximate fair values for the Group's financial assets and financial liabilities due to their short-term maturities except for the following financial instruments as of September 30, 2025 (unaudited) and December 31, 2024 (audited):

	September 2025 (Unaudited)		December 2024 (Audited)	
	Carrying Value	Fair Value	Carrying Value	Fair Value
(in Thousands)				
FINANCIAL ASSETS AT FVTPL				
Held for trading – current	₱8,120,355	₱8,120,355	₱11,313,625	₱11,313,625
Convertible loans – noncurrent	3,165,998	3,165,998	3,111,352	3,111,352
Derivative assets – freestanding	5,961,469	5,961,469	4,889,291	4,889,291
Total financial assets at FVTPL	17,247,822	17,247,822	19,314,268	19,314,268
FINANCIAL ASSETS AT AMORTIZED COST				
Accounts and notes receivables	312,192,223	306,034,259	215,920,691	214,041,340
Financial assets at amortized cost	19,096,355	15,599,831	17,918,405	14,421,881
Total financial assets at amortized cost	331,288,578	321,634,090	233,839,096	228,463,221
FINANCIAL ASSETS AT FVOCI				
Quoted equity investments	1,689,966	1,689,966	1,751,874	1,751,874
Unquoted equity investments	10,546,541	10,546,541	10,176,821	10,176,821
Total financial assets at FVOCI	12,236,507	12,236,507	11,928,695	11,928,695
OTHER FINANCIAL ASSETS				
Deposits	17,617,402	17,617,402	11,647,652	11,647,652
Total other financial assets	17,617,402	17,617,402	11,647,652	11,647,652
Total financial assets	378,390,309	368,735,821	₱276,729,711	₱271,353,836
FINANCIAL LIABILITIES AT FVTPL				
Derivative liabilities	458,043	458,043	₱257,918	₱257,918
Total financial liabilities at FVTPL	458,043	458,043	257,918	257,918
OTHER FINANCIAL LIABILITIES				
Long-term debt	589,561,084	574,214,048	591,202,845	550,837,604
Deposits and other noncurrent liabilities	54,926,991	54,926,992	54,621,936	55,001,502
Total other financial liabilities	644,488,075	629,141,040	645,824,781	605,839,106
Total financial liabilities	₱644,946,118	₱629,599,083	₱646,082,699	₱606,097,024

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:

Financial assets at FVTPL – Fair values of investment securities are based on quoted prices as of the reporting date. For other investment securities such as FVTPL with no reliable measure of fair value, these are carried at their last transaction price. For convertible loans, the fair values of the investments are determined using the applicable discount rate for similar type of instruments.

The fair value of the investment in UITF is based on net asset values as of reporting dates.

The fair value of the investment in ARCH Capital Fund is determined using the discounted cash flow (DCF) method. Under the DCF method in fund fair valuation, it is estimated using assumptions regarding the benefits and liabilities of ownership over the underlying asset's life including an exit or terminal value. This method involves the projection of a series of cash flows on a real property interest. To this projected cash flow series, a market-derived discount rate is applied to establish the present value of the income stream, associated with the underlying asset. The exit yield is normally separately determined and differs from the discount rate. Significant inputs considered were rental, growth and discount rates. The higher the rental and growth rates, the higher the fair value. The higher the discount rates, the lower the fair value.

The fair value of other unquoted financial assets at FVTPL is determined using Weighted Average Cost of Capital using market comparables.

Derivative instrument – The fair value of the freestanding currency forwards is based on counterparty valuation.

Noncurrent trade and nontrade receivables – The fair values are based on the discounted value of future cash flows using the applicable rates for similar types of instruments taking into consideration the industry where the business units or subsidiaries belong.

Financial assets at amortized cost includes investments in redeemable preferred shares and convertible loans. For investment in redeemable preferred shares and convertible loan, the fair values of the investments are determined using the applicable discount rate for similar type of instruments.

Financial assets at FVOCI investment in bonds – fair value of the bonds is based on binomial lattice approach.

Financial assets at FVOCI quoted equity securities – fair values are based on quoted prices published in markets.

Financial assets at FVOCI unquoted equity securities – fair values are based on the latest selling price available.

Deposits include security deposits from tenants of retail and office spaces and deferred credits arising from sale of real estate properties.

Derivative liability – the fair value of the derivative liability is determined using valuation techniques with inputs and assumptions that are based on market observable data and conditions and reflect appropriate risk adjustments that market participants would make for risks existing at the end of each reporting period.

Other financial liabilities – noncurrent – The fair values are estimated using the discounted cash flow methodology using the Group's current incremental borrowing rates for similar borrowings, with maturities consistent with those remaining for the liability being valued and taking into consideration the industry where the business units or subsidiaries belong.

For variable rate loans that reprice every three months, the carrying value approximates the fair value because of recent and regular repricing based on current market rates.

The following table shows the fair value hierarchy of the Group's assets and liabilities as at September 30, 2025 (unaudited) and December 31, 2024 (audited):

	September 2025 (Unaudited)			Total
	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
	(in Thousands)			
Recurring financial assets measured at fair value:				
Financial assets at FVTPL – current	P–	P933,913	P7,186,442	P8,120,355
Convertible loans – noncurrent	–	–	3,165,998	3,165,998
Derivative assets – freestanding	–	5,961,469	–	5,961,469
Total financial assets at FVTPL	–	6,895,382	10,352,440	17,247,822
Financial assets at FVOCI				
Quoted equity investments	588,826	1,101,140	–	1,689,966
Unquoted equity investments	–	–	10,546,541	10,546,541
Total financial assets at FVOCI	588,826	1,101,140	10,546,541	12,236,507
	P588,826	P7,996,522	P20,898,981	P29,484,329
Recurring financial assets for which fair values are disclosed:				
Noncurrent trade and nontrade receivables	P–	P–	P94,096,531	P94,096,531
Financial assets at amortized cost	–	–	15,599,831	15,599,831
Deposits	–	–	17,617,402	17,617,402
	P–	P–	P127,313,764	P127,313,764

September 2025 (Unaudited)				
	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Recurring financial liabilities measured at fair value				
Derivative liabilities	P–	P458,043	P–	P458,043
	P	P458,043	P–	P458,043
Recurring financial liabilities for which fair values are disclosed:				
Long-term debt	P–	P–	P574,214,048	P574,214,048
Deposits and other noncurrent liabilities	–	–	54,926,992	54,926,992
	P–	P–	P629,141,040	P629,141,040
Nonfinancial assets for which fair values are disclosed:				
Investment properties	P–	P–	P694,884,827	P694,884,827
Investments in associates and joint ventures*	426,505,137	–	–	426,505,137
	P426,505,137	P–	P694,884,827	P1,121,389,964

*Fair value of investments in listed associates and joint ventures for which there are published price quotations

December 2024 (Audited)				
	Quoted Prices in Active Markets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
(in Thousands)				
Recurring financial assets measured at fair value:				
Financial assets at FVTPL – current	P–	P471,010	P10,842,615	P11,313,625
Convertible loans – noncurrent	–	–	3,111,352	3,111,352
Derivative assets – freestanding	–	4,889,291	–	4,889,291
Total financial assets at FVTPL	P–	P5,360,301	P13,953,967	P19,314,268
Financial assets at FVOCI				
Quoted equity investments	P568,690	P7,235,796	P–	P7,804,486
Unquoted equity investments	–	–	4,124,208	4,124,208
Total financial assets at FVOCI	P568,690	P7,235,796	P4,124,208	P11,928,694
	P568,690	P12,596,097	P18,078,175	P31,242,962
Recurring financial assets for which fair values are disclosed:				
Noncurrent trade and nontrade receivables	P–	P–	P80,093,930	P80,093,930
Financial assets at amortized cost	–	–	14,421,881	14,421,881
Deposits	–	–	11,647,652	11,647,652
	P–	P–	P106,163,463	P106,163,463
Recurring financial liabilities measured at fair value				
Derivative liabilities	P–	P257,918	P–	P257,918
	P–	P257,918	P–	P257,918
Recurring financial liabilities for which fair values are disclosed:				
Long-term debt	P–	P–	P550,837,604	P550,837,604
Deposits and other noncurrent liabilities	–	–	55,001,502	55,001,502
	P–	P–	P605,839,106	P605,839,106
Nonfinancial assets for which fair values are disclosed:				
Investment properties	P–	P3,496,869	P695,278,210	698,775,079
Investments in associates and joint ventures*	478,702,961	–	–	478,702,961
	P478,702,961	P3,496,869	P695,278,210	P1,177,478,040

*Fair value of material investments in listed associates and joint ventures for which there are published price quotations, including the BPI shares held by Liontide Holdings, Inc.

There was no change in the valuation techniques used by the Group in determining the fair market value of the assets and liabilities.

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.

ACEIC Group categorizes equity instruments at FVOCI, loans payable and notes payable under Level 3 valuation techniques:

Equity instruments at FVOCI

Estimated fair value is based on the discounted value of future cash flows using the applicable discount rates relevant to the industry of investee companies. This is a Level 3 valuation technique.

Loans and notes payable

Estimated fair values are based on the discounted value of future cash flows using the applicable rates for similar types of loans and liabilities. This is a Level 3 valuation technique.

ALI Group categorizes trade receivable, receivable from employees, long-term debt and deposits and other noncurrent liabilities under Level 3. The fair value of these financial instruments is determined by discounting future cash flows using the applicable rates of similar types of instruments plus a certain spread. This spread is the unobservable input and the effect of changes to this is that the higher the spread, the lower the fair value.

A reconciliation of the beginning and closing balances of Level 3 financial assets and liabilities at FVTPL are summarized below:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Financial assets at FVTPL		
Balance at beginning of period	₱13,953,967	₱10,890,853
Additions (disposals)	(3,743,700)	2,923,452
Exchange difference and others	142,173	139,662
Balance at end of period	₱10,352,440	₱13,953,967

As of September 30, 2025 (unaudited) and December 31, 2024 (audited), financial liabilities at FVTPL are nil.

B. Derivatives

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Derivative assets		
Call option of AC Health	₱6,679	₱–
Forward contract of the Parent Company, ACEIC, and AIVPL	5,954,790	4,889,291
	₱5,961,469	₱4,889,291
Derivative liabilities		
Put option and forward contract of ACEIC	₱458,043	₱257,918

Fair value changes on derivatives

The net movements in fair values of the Group's derivative instruments for the periods ended September 30, 2025 (unaudited) and December 31, 2024 (audited) follow:

Derivative assets

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Balance at beginning of period	₱4,889,291	₱6,447,640
Additions (disposals) during the period	1,072,178	(1,558,349)
Balance at end of period	₱5,961,469	₱4,889,291

Derivative liabilities

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Balance at beginning of period	₱257,918	₱305,149
Net changes in fair value of derivatives	200,125	(47,231)
Balance at end of period	₱458,043	₱257,918

No other financial assets or liabilities are carried at fair value as of September 30, 2025 (unaudited) and December 31, 2024 (audited).

Net changes in fair value of derivative assets and liabilities were recognized in the unaudited interim condensed consolidated statement of income under “Other income”. While the net changes in fair value of IMI Group’s freestanding currency forward are recognized in the consolidated income under “Foreign exchange gains (losses)”.

C. Financial Instruments

Financial Risk Management

General

Like any other risks, financial risks are inherent in the business activities and are typical of any large holding company. The financial risk management of the Parent Company seeks to effectively contribute to better decision making, enhance performance, and satisfy compliance demands.

The Parent Company defines financial risks as risk that relates to the Parent Company’s ability to meet financial obligations and mitigate funding risk, credit risk and exposure to broad market risks, including volatility in foreign currency exchange rates and interest rates. Funding risk refers to the potential inability to meet contractual or contingent financial obligations as they arise and could potentially impact the Parent Company’s financial condition or overall financial position. Credit risk is the risk of financial loss arising from a counterparty’s failure to meet its contractual obligations or non-payment of an investment. These exposures may result in unexpected losses and volatilities in the Parent Company’s profit and loss accounts.

The Parent Company maintains a strong focus on its funding strategy to help provide access to sufficient funding to meet its business needs and financial obligations throughout business cycles. The Parent Company’s plans are established within the context of our annual strategic and financial planning processes. The Parent Company also take into account capital allocations and growth objectives, including dividend pay-out. As a holding company, the Parent Company generates cash primarily on dividend payments of its subsidiaries, associates and joint ventures and other sources of funding.

The Parent Company also establishes credit policies in setting up limits for counterparties that are reviewed quarterly and monitoring of any changes in credit standing of counterparties.

The Parent Company has a formal foreign exchange and interest rate risk management policy. The Parent Company actively monitors foreign exchange exposure and interest rate changes. And in addition, the Parent Company ensures that all loan covenants and regulatory requirements are complied with.

The Ayala Group continues to monitor and manage its financial risk exposures in accordance with Board approved policies. The succeeding discussion focuses on Ayala Group’s financial risk management.

Financial Risk Management Objectives and Policies

The Group’s principal financial instruments comprise financial assets at amortized cost, FVTPL and FVOCI, bank loans, corporate notes and bonds. The financial debt instruments were issued primarily to raise financing for the Group’s operations. The Group has various financial assets such as cash

and cash equivalents, short-term investments, accounts and notes receivables, and accounts payable and accrued expenses which arise directly from its operations.

The Group's main risks arising from the use of financial instruments are interest rate risk, foreign exchange risk, price risk, liquidity risk, and credit risk.

The Group also uses hedging instruments, the purpose of which is to manage the currency and interest rate risks arising from its financial instruments.

The Group's risk management policies relevant to financial risks are summarized below:

Interest rate risk

The Group's exposure to market risk for changes in interest rates relates primarily to the Parent Company's and its subsidiaries' obligations. The policy is to keep a certain level of the total obligations as fixed to minimize earnings volatility due to fluctuation in interest rates.

Foreign exchange risk

The Group's foreign exchange risk results primarily from movements of the PHP against other currencies. The Group's consolidated statements of income can be affected significantly by movements in the USD and other currencies versus the PHP. The Group entered into currency forward contracts to hedge its risks associated with foreign currency fluctuations.

The second and third columns of the table below summarize the Group's exposure to foreign exchange risk as of September 30, 2025 (unaudited) and December 31, 2024 (audited). The fourth and fifth columns of the table demonstrates the sensitivity to a reasonably possible change in the exchange rate, with all variables held constant, of the Group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the Group's equity as of September 30, 2025 (unaudited) and December 31, 2024 (audited).

September 2025 (Unaudited)				
Foreign Currency	Net Assets (Liabilities)	Peso Equivalent	Increase (Decrease) in Peso per Foreign Currency	Increase (Decrease) in Profit before Tax
	(in Thousands)			(in Thousands)
United States Dollar (USD)	USD242,429	₱14,066,814	₱1.00 (1.00)	₱242,429 (242,429)
Japanese Yen (JPY)	(JPY15,412,828)	(₱6,063,385)	1.00 (1.00)	(15,412,828) 15,412,828
Euro (EUR)	EUR137,629	₱9,401,243	1.00 (1.00)	137,629 (137,629)
Chinese RMB (RMB)	(RMB109,812)	(₱898,904)	1.00 (1.00)	(109,812) 109,812
Malaysian Ringgit (MYR)	MYR180,226	(₱2,493,599)	1.00 (1.00)	(180,226) 180,226
December 2024 (Audited)				
Foreign Currency	Net Assets (Liabilities)	Peso Equivalent	Increase (Decrease) in Peso per Foreign Currency	Increase (Decrease) in Profit before Tax
	(in Thousands)			(in Thousands)
United States Dollar (USD)	USD90,416	₱5,241,824	₱1.00 (1.00)	₱90,416 (90,416)
Japanese Yen (JPY)	(JPY695,288)	(₱254,729)	1.00 (1.00)	(695,288) 695,288
Euro (EUR)	EUR25,507	₱1,530,872	1.00 (1.00)	25,507 (25,507)
Chinese RMB (RMB)	RMB12,015	₱96,840	1.00 (1.00)	12,015 (12,015)
Vietnam Dong (VND)	(VND6,290,944)	(₱14,276)	1.00 (1.00)	(6,290,944) 6,290,944

There is no other impact on the Group's equity other than those already affecting the profit before tax.

Equity price risk

Financial assets at FVTPL and FVOCI are acquired at certain prices in the market. Such investment securities are subject to price risk due to changes in market values of instruments arising either from factors specific to individual instruments or their issuers, or factors affecting all instruments traded in the market. Depending on several factors such as interest rate movements, the country's economic performance, political stability, and domestic inflation rates, these prices change, reflecting how market participants view the developments. The Group's investment policy requires it to manage such risks by setting and monitoring objectives and constraints on investments; diversification plan; and limits on investment in each sector and market.

Liquidity risk

Liquidity risk is defined by the Group as the risk of losses arising from funding difficulties due to deterioration in market conditions and/or the financial position of the Group that make it difficult to raise the necessary funds or that forces the Group to raise funds at significantly higher interest rates than usual.

This is also the possibility of experiencing losses due to the inability to sell or convert marketable securities into cash immediately or in instances where conversion to cash is possible but at loss due to wider than normal bid-offer spreads.

The Group seeks to manage its liquidity profile to be able to service its maturing debts and to finance capital requirements. The Group maintains a level of cash and cash equivalents deemed sufficient to finance operations. 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. Fund-raising activities may include bank loans and capital market issues, both on-shore and off-shore.

Credit risk

Credit risk is the risk that the Group's counterparties to its financial assets will fail to discharge their contractual obligations. The Group's holding of cash and cash equivalents and short-term investments and receivables from customers and other third parties exposes the Group to credit risk of the counterparty. Credit risk management involves dealing with institutions for which credit limits have been established. The Treasury and Financial Policies of the individual subsidiaries set credit limits for their counterparty. The Group trades only with recognized, creditworthy third parties and has a well-defined credit policy and established credit procedures.

The Group considers the probability default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

The Group has determined the default event on a financial asset to be when the counterparty fails to make contractual payments, within 90 days when they fall due, which are derived based on the Group's historical information.

The Group considers "low risk" to be an investment grade credit rating with at least one major rating agency for those investments with credit rating. To assess whether there is a significant increase in credit risk, the Group compares the risk of a default occurring on the asset as at reporting date with the risk of default as at the date of initial recognition.

Given the Group's diverse base of counterparties, the Group is not exposed to large concentrations of credit risk.

The maximum exposure to credit risk for the components of the consolidated statement of financial position is equal to the carrying values.

Part of the policies is the performance of impairment analysis for the credit accounts.

The credit quality of the financial assets was determined as follows:

Cash and cash equivalents, short-term investments, financial assets at FVTPL, quoted financial assets at FVOCI, financial assets at amortized cost, advances to other companies, and related party receivables

High grade pertains to cash and cash equivalents and short-term investments, quoted financial assets, financial assets at amortized cost, related party transactions and receivables with high probability of collection.

Medium grade pertains to unquoted financial assets other than cash and cash equivalents, FVTPL financial assets, and short-term investments with nonrelated counterparties and receivables from counterparties with average capacity to meet their obligation.

Low grade pertains to financial assets with the probability to be impaired based on the nature of the counterparty.

Trade receivables

Real estate, power, outsourcing and international and others –high grade pertains to receivables with no default in payment; medium grade pertains to receivables with up to 3 defaults in payment in the past; and low grade pertains to receivables with more than 3 defaults in payment.

Industrial technologies – high grade pertains to receivable with favorable credit terms and can be offered with a credit term of 15 to 45 days; medium grade pertains to receivable with normal credit terms and can be offered with a credit term of 15 to 30 days; and low grade pertains to receivables under advance payment or confirmed irrevocable Stand-by Letter of Credit and subjected to semi-annual or quarterly review for possible upgrade or transaction should be under advance payment or confirmed and irrevocable Stand-By Letters of credit; subject to quarterly review for possible upgrade after one year.

Automotive – high grade pertains to receivables from corporate accounts and medium grade for receivables from noncorporate accounts.

Unquoted financial assets at FVOCI – the unquoted investments are unrated.

21. Related Party Transactions

Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions. Parties are also considered to be related if they are subject to common control or common significant influence which include affiliates. Related parties may be individuals or corporate entities.

All publicly-listed and certain member companies of the Group have Material Related Party Transactions Policies containing the approval requirements and limits on amounts and extent of related party transactions in compliance with the requirements under the Revised SRC Rule 68 and SEC Memorandum Circular 10, series of 2019.

The Parent Company has an approval requirement such that material related party transactions (RPT) shall be reviewed by the Risk Management and Related Party Transactions Committee (the Committee) and endorsed to the BOD for approval. Material RPTs are those transactions that meet the Committee approved threshold value – of ₱50.0 million or five (5) percent of the total assets, whichever is lower. The Parent Company's Risk Management Unit, acting as the secretariat of the Committee, reviewed the RPTs before these were presented to the Committee for approval.

The Group, in its regular conduct of business, has entered into transactions with associates, joint ventures and other related parties principally consisting of deposits/placements, advances, loans and reimbursement of expenses, purchase and sale of real estate properties, various guarantees, construction contracts, and development, management, underwriting, marketing and administrative

service agreements. Sales and purchases of goods and services as well as other income and expense to and from related parties are made at normal commercial prices and terms.

Highlights of related party transactions follow:

a. Transactions with BPI, an associate

As of September 30, 2025 (unaudited) and December 31, 2024 (audited), the Group maintains current and savings account, money market placements, other short-term investments and other current assets as well as short-term and long-term debt with BPI broken down as follows:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Cash on hand and in banks (Note 4)	₱7,605,145	₱6,986,671
Cash equivalents (Note 4)	21,347,218	16,972,959
Short-term investments (Note 5)	696,108	474,375
Financial assets at FVTPL (Note 8)	2,649,615	6,084,589
Short-term and long-term debt (Note 15)	76,307,446	66,894,221

Cash in banks earn interest at prevailing bank deposit rates while cash equivalents and short-term investment earn interest at the respective short-term placement rate. Investment in FVTPL pertain to money market funds which earns interest depending on the duration of time invested in the fund.

The Group's short-term and long-term debts are interest bearing with varying rates, have various maturities starting 2025 and varying schedules of payments for interest (see Note 15).

Transactions with BPI will be settled in cash.

b. Outstanding balances of related party transactions follow:

	September 2025 (Unaudited)	December 2024 (Audited)
	(in Thousands)	
Receivable from related parties (Note 6)	₱28,354,067	₱38,439,895
Dividend receivable (Note 6)	1,334,960	761,517
Payable to related parties (Note 13)	4,863,725	₱4,544,179

The September 30, 2025 (unaudited) balances represent 8.8% and 2.0% of the Group's total accounts and notes receivables and total accounts payable and accrued expenses, respectively.

The Group recognized provisions for ECL on receivable from related parties of ₱3.9 billion and ₱1.0 billion for the periods ended September 30, 2025 and 2024 (both unaudited), respectively.

Receivable from related parties

Receivable from related parties pertains mostly to interest and non-interest-bearing advances with various maturities. Advances include certain residential development projects which become due as soon as the projects are completed. The receivables also include ACEIC's receivables from associates and joint venture partners and AC Industrials' certain trade receivables arising from automotive and other sales (see Note 6). This account also includes other receivables relating to reimbursement of operating expenses like management fees, among others. The trade and other receivables are unsecured, will be settled in cash and are due and demandable.

Impairment assessment is undertaken at end of year or anytime during the year when there is a condition that would require such, through examining the financial position of the related parties and the markets in which the related parties operate.

Dividends receivable

Dividends receivable from related parties pertains to accrued dividend declarations from associates and joint ventures. These are non-interest-bearing and usually collectible within one year.

Payables to related parties

These payables include: (a) cost of lots for joint development projects; (b) purchased parts and accessories and vehicles and purchase of services; and (c) advances and reimbursements for operating costs. These are all unsecured, interest free, will be settled in cash and are due and demandable.

- c. Revenue and expenses from related parties follow:

	September 2025 (Unaudited)	September 2024 (Unaudited)
	(in Thousands)	
Revenue from related parties	₱5,755,353	₱5,226,839
Expenses from related parties	8,136,614	5,334,078

The September 30, 2025 (unaudited) balances represent 1.9% and 3.5% of the Group's total revenues and expenses, respectively. These consist of, among others, income from real estate, power generation, automotive sales, professional services and interest/financing as well as expenses on interest (see Note 15), water utilities, communications and professional fees.

22. Notes to Consolidated Statements of Cash Flows

Changes in liabilities arising from financing activities follow:

	December 2024 (Audited)	Cash Flows	Non-cash Changes*	Foreign Exchange Movement	September 2025 (Unaudited)
	(in Thousands)				
Short-term and long-term debt	₱666,759,130	₱12,608,392	₱464,018	₱3,923,342	₱683,754,882
Dividend payable	2,938,750	(8,470,947)	6,225,401	—	693,204
Other noncurrent liabilities	53,996,098	4,732,758	1,665,643	—	60,394,499
Lease liabilities	33,441,976	(1,971,194)	1,847,614	(402,507)	32,915,889
Total liabilities from financing activities	₱757,135,954	₱6,899,009	₱10,202,676	₱3,520,835	₱777,758,474

*Non-cash changes on:

- Dividends payable pertains to cash dividends declared during the period (see Note 16).
- Lease liabilities pertains to additions and accretion of interest expense during the period.

23. Events After the Reporting Period

Parent Company

1. *Dividend declaration*

On October 30, 2025, the Parent Company's BOD approved the declaration of fourth quarter cash dividends on outstanding preferred "A" shares (ACPAR) amounting to ¼ of 6.3587% per annum, or ₱39.741875 per share, based on the issue price of the shares. The record date is November 14, 2025 and payable on November 29, 2025.

2. *Buyback of shares*

In accordance share buyback programs discussed in Note 16, the Parent Company repurchased a total of 2.0 million common shares from October 1 to 10, 2025.

ALI

1. *Transactions within the ALI Group*

On October 29, 2025, ALI's BOD approved the infusion of ALI and its wholly-owned subsidiary, Summerhill Commercial Ventures Corporation ("Summerhill"), of commercial properties valued at ₱19.5 billion into AREIT through a property-for-share swap. 441,131,656 primary AREIT common

shares will be issued in exchange for ALI's Ayala Center Cebu Mall and Summerhill's Ayala Malls Feliz for an aggregate value of ₱19.5 billion.

2. *Dividend declaration*

On October 29, 2025, ALI's BOD approved the declaration of a regular cash dividend of ₱0.2928 per common share for the second half of 2025. The record date is November 12, 2025, and the payment date is November 26, 2025.

3. *Issuance of Sustainability-Linked Bonds*

On October 23, 2025, ALI raised ₱15.0 billion through its latest issuance of ASEAN Sustainability-Linked Bonds, comprising of 6.0671% p.a. Series C Bonds due 2030, and 6.3192% p.a. Series D Bonds due 2035. This represents the fourth Tranche of ALI's existing ₱50.0 billion shelf registration for the offering and sale of debt securities in one or more tranches rendered effective by the SEC on June 13, 2023.

AC Health

1. *Investment Agreement with ABC Impact Fund II LP*

On October 27, 2025, ABC Impact paid a total of ₱835.0 million for its subscription of 24,559,510 common shares and 20,432,024 preferred shares, issued from AC Health's existing authorized capital stock, and another 64,250,000 common shares and 87,500,000 preferred shares, from AC Health's increase in authorized capital stock (see Note 3).

2. *Investment in Cebu Velez General Hospital*

In October 2025, AC Health acquired a 60% stake in Cebu Velez General Hospital (CVGH), a 200-bed tertiary hospital in Cebu City. The acquisition is in line with AC Health's thrust to expand in the Visayas region. CVGH is associated with Cebu Institute of Medicine, a leading medical school in the region.

AC Industrials

Honda dealership transition

In October 2025, ACMobility and Honda Cars Philippines, Inc. (HCPI) jointly announced the transition of ACMobility group's Honda dealership operations (carried out through Iconic Dealership, Inc.) effective on January 1, 2026 to new dealer principals who will continue to support Honda's growth and expansion. This development reflects the evolving strategies of both companies, as ACMobility and HCPI pursue their respective growth and innovation strategies.

ACMobility is the umbrella name for a group of companies held under AC Industrials which houses the largest multi-brand vehicle distributor and dealership group in the Philippines and carries the BYD, Isuzu, Kia, Maxus, Volkswagen, and Honda automobile brands.

Philwater

Dividend declaration

On October 30, 2025, Philwater's BOD approved the declaration and payment of cash dividends amounting ₱98.0 million, payable on November 4, 2025, to all its stockholders of record as of November 3, 2025.

Globe

1. *Dividend declaration*

On November 6, 2025, Globe's BOD approved the declaration of the fourth quarter cash dividend of ₱25.00 per common share, payable to common stockholders of record as of November 20, 2025 on December 5, 2025.

On the same date, Globe's BOD approved the declaration of cash dividend for holders of voting preferred shares on record as of November 20, 2025. The amount of cash dividend will be based on the 2024 Benchmark rate of 3-day average of the 5-year BVAL rates plus 2%. The dividends will be payable on December 5, 2025.

2. *Konektadong Pinoy Act*

The Konektadong Pinoy Act (KPA) which lapsed into law last August, establishes a comprehensive legal framework to promote open access, competition, and investment in data transmission

infrastructure in the Philippines. It aims to narrow the digital divide by mandating infrastructure sharing, simplifying regulatory processes, ensuring cyber security compliance, and protecting user rights.

Under the KPA, new operators classified as Data Transmission Industry Participants (DTIP) who will engage in the provision of data transmission services no longer need to secure a franchise from Congress as a prerequisite to launching a data service. Also, the KPA mandates infrastructure sharing and co-location, requiring incumbents to provide access to network and facilities to other DTIPs and permitting direct satellite access without NTC approval. Likewise, the KPA will establish a Spectrum Management Policy Framework (SMPF) to govern the management, and more crucially, the assignment and even recall of spectrum. The Department of Information and Communications Technology (DICT) announced on November 5, 2025 the signing of KPA IRR. The DICT and NTC will issue implementing guidelines and circulars necessary to fully implement KPA such as, access list, qualification of DTIPs and SMPF.

Section 2. Management's Discussion and Analysis (MD&A) of Financial Condition and Results of Operations

This section includes financial and operating data with respect to Ayala's subsidiaries (Ayala Land, Inc., Integrated Micro-Electronics, Inc., and AC Energy and Infrastructure Corporation with listed subsidiary ACEN Corporation (ACEN)), associate (Bank of the Philippine Islands), and joint venture (Globe Telecom, Inc.). This section should be read in conjunction with the financial highlights of these investees. The financial highlights as contained in their respective December 31, 2024 audited financial statements and SEC 17-A reports of these investees are available for viewing at the office of the Philippine Securities and Exchange Commission located at the 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City, 1209, or at these companies' official websites, as applicable.

This section also includes a discussion of financial ratios. These financial ratios are unaudited and are not measurements of profitability in accordance with PFRS Accounting Standards and should not be considered as an alternative to net income or any other measure of performance which are in accordance with PFRS Accounting Standards.

9M25 vs 9M24 Highlights

Ayala Corporation's ("Ayala" or "the Company") core net income, which excludes one-off items, was steady year-on-year at ₱36.6 billion. Meanwhile, core net income for the third quarter of 2025 sequentially improved 4 percent to ₱12.8 billion on the back of higher contributions from BPI and Ayala Land, and supported by the Company's portfolio businesses, specifically AC Health, AC Logistics, Integrated Microelectronics ("IMI"), and iPeople.

- BPI's net income grew 5 percent to ₱50.5 billion on the back of strong loan growth and continued net interest margin ("NIM") expansion. Return on Equity was 15.0 percent.
- Ayala Land's net income increased 1 percent to ₱21.4 billion on stable property development revenues, complemented by healthy results of its leasing and hospitality business.
- Globe's core net income, which excludes non-recurring items such as accounting gains from the Mynt transaction, towers sale and leaseback, and foreign exchange and mark-to-market adjustments, decreased 12 percent to ₱15.5 billion due to lower gross service revenues ("GSR") and higher depreciation and interest expenses.
- ACEN's core net income declined by 18 percent to ₱4.3 billion due to lower revenues as a result of damage to wind farms in Ilocos Norte, softer local spot market prices, reduced solar irradiance in the Philippines and Australia, and the onset of depreciation expenses from plants operationalized in 2024.
 - ACEIC, the parent company of ACEN, recorded a net income of ₱4.2 billion, down 59 percent year-on-year. The decline was driven by reduced contributions from ACEN and ACEIC's thermal plants, and lower net interest income at the parent level.

Including one-off items, Ayala's net income rose 36 percent to ₱46.3 billion, primarily driven by net one-off gains from the revaluation of AC Ventures, which holds Ayala's direct stake in Mynt. A remeasurement gain was booked because of Mitsubishi's subscription to a 50 percent stake in AC Ventures, effectively acquiring an indirect ownership in Mynt.

Consolidated Sales of Goods and Rendering of Services

Sale of goods and rendering services increased 2 percent to ₱238.6 billion driven by improved revenues from Healthway Medical Network in AC Health, and higher electric vehicle sales in AC Industrials. These were partially offset by ACEIC's lower electricity sales, lower revenues from construction and residential businesses in ALI, and IMI's lower service revenue from EU and China. As a percentage of total revenues, this account was at 87 percent for both periods ended September 30, 2025 and 2024.

Real Estate

- Ayala Land's net income rose 1 percent to ₱21.4 billion in the first nine months of 2025 driven by stable contribution of Property Development and an expanding Leasing & Hospitality portfolio which offset a reduction in the Services businesses.
- Property development revenues reached ₱75.9 billion.

- Residential revenues totaled ₱63.1 billion as the Core segment exhibited sequential quarter-on-quarter growth, narrowing the 5 percent decline in the first half of 2025 relative to the prior year.
- Combined revenues from the sale of commercial and industrial lots and office for sale increased 3 percent to ₱12.8 billion because of strong lot sales in the first half and office-for-sale bookings in the Makati CBD, Vertis North and Arca South.
- The combination of sustained take-up for Premium projects, increased demand for Core projects, and growing commercial and industrial lots resulted in 3 percent improvement in total Sales Reservations to ₱111.7 billion.
- Property development launches amounted to ₱51.3 billion in the first nine months of 2025, anchored by AyalaLand Premier's Laurean Residences at the Makati CBD. Approximately 91 percent of the projects are vertical and horizontal residential projects while the balance of 9 percent were commercial and industrial lots across Ayala Land estates.
- Leasing and hospitality revenues grew 6 percent to ₱35.1 billion from topline growth across all asset classes.
 - Shopping center revenues increased 4 percent to ₱17.4 billion on the back of growing contributions from new malls and healthy operations of existing malls.
 - Office leasing revenues likewise grew 6 percent to ₱9.0 billion, supported by the portfolio's better-than-industry occupancy rates.
 - Hotels and resorts revenues were up 4 percent to ₱7.4 billion due to stable portfolio occupancy and the recently acquired New World Hotel's contribution.
 - Industrial real estate revenues jumped 39 percent to ₱1.2 billion, driven by industrial land portfolio sales and newly opened cold storage facilities.
- Revenues from the service business, comprised of construction and property management among others, declined 37 percent to ₱8.1 billion. External construction projects were previously completed and Airswift was sold in October 2024.
- Capital expenditures reached ₱65.5 billion. The company spent 40 percent towards the completion of residential projects, 26 percent on the build out of leasing and hospitality assets, 20 percent on estate development, and 13 percent on land acquisition commitments.

Power

- ACEN's core net income declined 18 percent to ₱4.3 billion, impacted by lower irradiance in the Philippines and Australia, damaged wind farms in Ilocos Norte, weaker local spot market prices, and the onset of depreciation expenses from plants operationalized in 2024.
 - After factoring in one-off items, primarily the ₱2.7 billion impairment in the first half related to the Lac Hoa and Hoa Dong wind projects in Vietnam, ACEN's net income declined 78 percent to ₱1.8 billion.
- Core attributable EBITDA, which includes ACEN's share of EBITDA from non-consolidated operating projects, rose 9 percent to ₱15.6 billion.
- Total attributable renewables output increased 16 percent to 4,843 gigawatt-hours (GWh), as stronger contributions from international assets offset lower Philippine generation.
 - Output from Philippine renewable plants declined 6 percent to 1,305 GWh due to the wind turbine repairs in Ilocos Norte. While repairs at Capa Wind have been completed, restoration efforts at Pagudpud Wind and the repowering of NorthWind I & II are targeted for completion within November 2025.
 - Output from international renewable plants rose 26 percent to 3,539 GWh, following the commissioning of the 600 megawatts (MW) Monsoon Wind project in Vietnam in August 2025 and the 520MW Stubbo Solar project in Australia at end-October 2025. These additions more than offset the impact of lower irradiance in Australia.
- Today, ACEN has 7,010 MW of attributable capacity, consisting of 4.3 GW in operation, 2.2 GW under construction, and 507 MW in committed projects.

Share in Net Profits of Associates and JV

Share in net profits of associates and joint ventures increased 1 percent to ₱36.1 billion due to higher equity in net earnings from ALI AJVs and LRMHI, increased net interest and non-interest income from BPI despite higher expenses and provisions, Globe's ₱2.2 billion dilution gain (AC's equity share of ₱0.7 billion) in Mynt and lower operating expenses which helped offset the decline in revenues, higher earnings in Mynt supported by growth across key business pillars such as lending, payments, and transfers. These were partially offset by lower contribution from ACEIC investees and the impact of MWC's divestment in May 2024. As a percentage of total revenue, this account was 13 percent for both periods ended September 30, 2025 and 2024.

Banking

- BPI reported a net income of ₱50.5 billion, up 5.2 percent from the prior year driven by strong revenue growth. Profitability remained strong with Return on Equity at 15.0 percent.
- Total revenues grew 13.2 percent to ₱142.3 billion as higher net interest income from sustained loan growth and continued NIM expansion was supported by bigger non-interest income.
 - Total loans increased 13 percent to ₱2.4 trillion, driven by sustained credit demand across all segments.
 - Non-institutional loans, which accounted for 30.8 percent of total loans, jumped 27 percent to ₱745 billion as all categories showed robust growth.
 - Third quarter NIM expanded 27 basis points year-on-year to 4.62 percent despite reductions in policy rates starting in August of last year.
 - Fee income was up 6.5 percent to ₱28.1 billion, backed by strong contributions from the Bank's core businesses led by credit cards and wealth management.
- Total deposits increased 8 percent to ₱2.7 trillion mainly from the growth in time deposits.
- Key funding ratios remained stable as the bank's Loan-to-Deposit and Loan-to-Funding ratios stood at 90.3 percent and 83.7 percent respectively.
- Asset quality remained healthy with adequate cover while the NPL ratio remained stable at 2.29 percent as the rate of new NPL formation slowed.
 - NPL ratio declined 1 basis point to 2.29 percent despite the shift in loan mix towards the non-institutional segment.
 - NPL cover dipped 15 percentage points to 96.47 percent.
 - Total provisions amounted to ₱11.8 billion, up 145 percent from last year.
- Operating expenses grew 10 percent to ₱65.5 billion on higher manpower, technology, and volume-related expenses. Cost-to-income ratio continued to decline to 46 percent due to sustained operational efficiencies.

Telco

- Globe's core net income, which excludes non-recurring items such as accounting gains from the Mynt transaction, tower sale and leaseback, and foreign exchange and mark-to-market charges, declined 12 percent to ₱15.5 billion. The decline was on the back of lower GSR and higher depreciation and interest expenses, which offset gains from lower OPEX and increased equity earnings from Mynt. Core net income sequentially fell 15 percent in the third quarter to ₱5.0 billion, driven by higher financing costs and reduced equity contributions from affiliates.
 - Net income fell 14 percent to ₱17.7 billion, as higher equity earnings from affiliates and a dilution gain from the disposal of Mynt shares were offset by lower GSR, increased depreciation, interest expense, and non-operating charges.
- While GSR dipped 2 percent to ₱121.7 billion due to lower revenues across telco and non-telco segments, there was a 3 percent quarter-on-quarter improvement, driven by sustained momentum in data usage.

- Mobile service revenues declined 2 percent to ₱86.2 billion as the strong performance of mobile data (reaching ₱74.0 billion for the first nine months of 2025) was offset by the continued drop in legacy voice and SMS services. However, third quarter revenues rose 1 percent to ₱29.1 billion, marking a second consecutive quarter of sequential growth.
- Home broadband revenues reached ₱17.8 billion, remaining broadly flat due to reduced contributions from fixed wireless services as more customers transitioned to fiber. Nonetheless, third quarter revenues rose 4 percent to ₱6.1 billion. Globe's continued push for fiber adoption drove a 28 percent quarter-on-quarter increase and more than 3.7 times growth year-on-year in its GFiber Prepaid subscriber base, bringing total subscribers to 700,000.
- Corporate data revenues declined 3 percent to ₱15.0 billion, primarily due to a slowdown in core data services amid cautious business spending. This was partially offset by continued growth in ICT-related services.
- Non-telco revenues decreased 4 percent to ₱1.7 billion attributable to lower earnings from AdSpark, partly offset by stronger contributions from Yondu and Asticom.
- EBITDA decreased 1 percent to ₱64.2 billion due to lower revenues. Nevertheless, prudent cost management sustained a healthy EBITDA margin of 52.8 percent, exceeding full-year guidance of 50 percent.
 - Operating expenses, including subsidies, declined 3 percent to ₱57.5 billion.
- Equity earnings from Mynt rose 52 percent to ₱5.3 billion, supported by growth across key business pillars such as lending, payments and transfers. Mynt's contribution accounted for 25 percent of Globe's pre-tax net income, up from 14 percent last year.
 - Total loan disbursements since inception surged 73 percent, driven by a 47 percent increase in unique borrowers.
 - Insurance policies sold life-to-date jumped 126 percent, supported by a 66 percent rise in Glnsure users.
- Capital expenditures decreased 23 percent to ₱31.4 billion, in line with Globe's strategy to enhance free cash flow generation. This resulted in a lower CAPEX-to-revenue ratio of 26 percent from 33 percent, underscoring a disciplined capital efficiency approach while continuing to invest in essential network improvements.

Portfolio Updates

- AC Health significantly narrowed its net loss year-on-year, from -₱417 million to -₱9 million on the back of a strong performance from its provider business, a ₱103 million gain on the sale of KMD shares, and the absence of KMD losses. EBITDA more than doubled to ₱1.02 billion from ₱460 million.
 - Revenues from the provider network's hospitals and multi-specialty clinics grew 69 percent, underpinned by a higher patient census, increased average spend per patient, and the expansion of corporate clinic accounts. This growth was further supported by contributions from FEU-NRMF and the Cancer Hospital.
 - Revenues from the pharma group declined 4 percent, primarily due to supply chain disruptions and reduced commercial demand for select molecules within the importation and distribution business.
 - In October, AC Health acquired a 60 percent stake in Cebu Velez General Hospital (CVGH), a 200-bed tertiary hospital in Cebu City. The acquisition is in line with AC Health's thrust to expand in the Visayas region. CVGH is associated with Cebu Institute of Medicine, a leading medical school in the region.
- ACMobility achieved a turnaround as it generated a net income of ₱18 million versus a ₱176 million net loss in the prior year. The improvement was primarily due to robust volume growth, which drove narrower losses in the distribution and dealership businesses. This was further supported by higher earnings from HCPI and increased IPC dividends, helping offset higher marketing and interest expenses.
 - Total unit sales more than doubled to 31,669 from 14,982, anchored by strong take-up for the BYD Sealion 6-DMi, BYD Sealion 5-DMi and Kia Sonet. This boosted ACMobility's total market share in the first nine months of 2025 to 8.7 percent, double the market share of 4.3 percent in the same period last year. Meanwhile, its share in the new energy vehicles segment likewise rose 6.5 percentage points to 81.5 percent, up from 75.0 percent.

- ACMobility has installed a total of 336 charging points nationwide, of which 292 are electrified across 120 locations.
 - In October, ACMobility and Honda Cars Philippines jointly announced the transition of ACMobility's Honda dealer operations effective January 1, 2026. The move, together with its exit from the Maxus and Volkswagen distribution businesses, forms part of ACMobility's broader transformation strategy to refocus investments in new and high-growth businesses. Moving forward, the portfolio changes will allow ACMobility to better pursue its ambition to lead the transition towards sustainable and electrified mobility in the Philippines.
- IMI posted a net income of US\$14.8 million, marking a significant turnaround from the US\$9.2 million net loss recorded in the same period last year. Despite lower revenues, EBITDA remained strong at US\$51.4 million, up from US\$21.6 million. IMI's stronger performance was a result of better operational efficiencies resulting from restructuring initiatives and improved operating margins from higher utilization rates across its facilities.
 - AC Logistics reduced its net loss to -₱1.3 billion from -₱1.5 billion, primarily driven by the closure of its last-mile business and ongoing rationalization initiatives. Attributable EBIT losses also narrowed to -₱418 million from -₱632 million, as cost-saving measures (amounting to ₱762 million year-to-date) helped offset the decline in revenue.
 - Through ACX Holdings Corporation (ACX), Ayala continues to expand its consumer retail presence to capture a larger direct share of the consumer wallet. Ayala's strategy of partnering with world-class institutions with domain expertise, combined with its own strong and complementary portfolio of businesses, provides a competitive advantage in the retail segments it intends to serve.
 - ACX formed a joint venture with Makro ROH Company Limited (MROH) to operate large format wholesale, retail and e-commerce Makro stores in the Philippines. Under the agreement signed last September 24, ACX will hold a 49.9 percent equity interest, while MROH will own 50.1 percent of the Makro Philippines operating entity. The first Makro store is expected to open in AyalaLand's Cloverleaf Estate within the first half of 2027.
 - In partnership with the Al Seer Group of Dubai, ACX signed an agreement last September 30 to introduce Spinneys-branded premium grocery stores to the Philippine market—marking the brand's first expansion outside the Gulf Cooperation Council (GCC). The first store is targeted to open in the fourth quarter of 2026. Under the joint venture, ACX will hold a 60 percent stake, while the Al Seer Group will own the remaining 40 percent.

Costs of Goods Sold and Rendering Services

Cost of sales and services rose 2 percent to ₱172.1 billion on the back of stronger sales performance which led to improved gross profits for AC Health and AC Industrials. The increase also reflects generally higher prices for direct costs and overhead across various BUs. As a percentage of total costs and expenses, these accounts were 85 percent and 82 percent for the periods ended September 30, 2025 and September 30, 2024, respectively.

General and Administrative Expenses

General and Administrative Expenses declined 18 percent to ₱31.0 billion due to lower Group impairment provision, including ACEN's ₱2.7 billion (₱1.6 billion AC equity share) provision for expected credit loss (ECL) on Vietnam Wind projects receivables and an additional ₱885.0 million provision for IPO compared to last year's provisions on investments such as IMI (including VIA) and AC Infra/AC Logistics. Meanwhile, excluding impairment provisions, normalized GAE increased 1 percent on higher advertising, taxes and licenses, and ECL provisions on receivables. These were partially offset by cost rationalization and restructuring measures in AC Logistics and IMI. As a percentage of total costs and expenses, this account was 15 percent and 18 percent for the periods ended September 30, 2025 and September 30, 2024, respectively.

Balance Sheet Highlights (9M25 vs FY24)

- Total assets increased 6 percent to ₱1.9 trillion in September mainly due to higher property, plant and equipment, investments in associates and joint ventures, and inventories.

- Property, plant and equipment grew 12 percent to ₱199.5 billion due to ACEIC's continued investments in solar and wind farm projects (including capitalized borrowing costs and development management fees) and ALI's New World Hotel acquisition and hotel renovations. These were partially offset by IMI's disposal of its Czech subsidiary and the Group's depreciation and amortization during the period. This account was 11 percent and 10 percent of total assets as of September 30, 2025 and December 31, 2024, respectively.
- Investments in associates and joint ventures increased 5 percent to ₱422.5 billion driven by equity earnings from affiliates particularly BPI, Globe, Mynt, LRMHI, ACEIC, and ALI, additional 2.8 percent stake in IPO, and additional investments by ACEIC and ALI, net of disposals. Additionally, Globe and AC Ventures recognized dilution gains of ₱2.2 billion and ₱1.0 billion, respectively, from MUFG's entry into Mynt, with ₱0.7 billion as AC's equity share in the gain. This account represented 23 percent of total assets for both periods as of September 30, 2025 and December 31, 2024.
- Inventories rose 7 percent to ₱266.1 billion due to new land acquisitions and completed project constructions in ALI and additional BYD and Kia vehicle units in AC Industrials. These were partially offset by IMI's reduced inventories as lower sales consumed existing stock and limited new purchases. This account was 14 percent of total assets for both periods as of September 30, 2025 and December 31, 2024.
- Consolidated cash stood at ₱77.4 billion. Consolidated net debt increased 2.7 percent to ₱606.3 billion.
- Consolidated net debt-to-equity ratio moved down 4 basis points to 0.77x, well within the Company's covenant of 3.0x.
- Parent level cash increased 88% to ₱21.8 billion, inclusive of proceeds from the redemption of AC Ventures of its Redeemable Preferred Shares amounting to ₱19 billion.
- Parent net debt decreased 17 percent to ₱138.6 billion. Parent average cost of debt was at 5.28 percent.
- Loan-to-value ratio, the ratio of its parent net debt (excluding the fixed-for-life perpetuals) to the total value of its assets, decreased 200 basis points to 11.9 percent.
- On September 18, Ayala resumed its ₱20-billion share buy-back program, originally launched in December 2019. As of 2025, the company repurchased an additional 4 million shares worth ₱1.92 billion, bringing total repurchases since 2019 to approximately 15.4 million shares amounting to around ₱9.8 billion. This leaves a remaining balance of ₱10.2 billion under the approved buy-back threshold.
 - The coverage of the buyback program has been expanded to include shares of Ayala's publicly listed subsidiaries, following endorsement by the Finance Committee and approval by the Board of Directors.

Key performance indicators:

The Group maintains healthy financial ratios driven by strong operating performance of major subsidiaries and investees.

Refer to Section 3 – Financial Soundness Indicators for the key performance indicators (consolidated figures) monitored by the Group.

2.1 Any known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the registrant's liquidity increasing or decreasing in any material way. The following conditions shall be indicated: whether or not the registrant is having or anticipates having within the next twelve (12) months any cash flow or liquidity problems; whether or not the registrant is in default or breach of any note, loan, lease or other indebtedness or financing arrangement requiring it to make payments; whether or not a significant amount of the registrant's trade payables have not been paid within the stated trade terms.

The Group does not expect any liquidity problems and is not in default of any financial obligations. The Group complied with the existing loan covenants and restrictions as of September 30, 2025.

2.2 Any events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation:

- None

2.3 Any material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period:

- None

2.4 Any material commitments for capital expenditures (CAPEX), the general purpose of such commitments, and the expected sources of funds for such expenditures.

Parent Company

For 2025, Ayala has budgeted a total of ₱230 billion for capital expenditures this year across the Group. Parent-only capital expenditures amounted to ₱6.6 billion as of the period ended September 30, 2025, mostly for additional investments in AC Logistics and AC Mobility.

ACEIC

For the period ended September 30, 2025, ACEIC's capital expenditure amounted to ₱12.4 billion.

As of September 30, 2025 (unaudited), the completion status of ACEIC's significant capital expenditures follow:

Project	Capacity (MW)	Location	% Completion	
			September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Pangasinan Solar	60	Pangasinan, Philippines	99.95%	99.5%
Palauig 2 Solar	300	Zambales, Philippines	94%*	84%*
Quezon North Wind (1 and 2)	553	Real and Mauban, Quezon, Philippines	15%	-
San Marcelino Solar (Phase 3)	200	Zambales, Philippines	8%	5%
Stubbo Solar	520	Central Western Tablelands, New South Wales, Australia	99.8%	91%
New England BESS	200	Uralla, New South Wales, Australia	51%	8%

*Excluding transmission line with completion of 64.45% and 55% as of September 30, 2025 and December 31, 2024

ALI

For the year 2025, Ayala Land is budgeting ₱95.0 billion in capital expenditures. Of the total amount, ₱65.5 billion has been disbursed as of September 30, 2025. ALI will use the capital expenditure for the construction completion of launched residential projects and investment properties as well as land acquisition.

IMI

CAPEX remains disciplined with only US\$4.7 million spent mainly maintenance capital expenditures. For the full year of 2025, IMI expects to spend ~\$10 million on capital expenditures for existing operations and upcoming projects.

Globe

As of September 30, 2025, Globe invested approximately ₱31.4 billion in capital expenditures, a 23% decrease compared to the same period in 2024.

(Refer to Section – 2 MD&A portion for details).

- 2.5 Any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales or revenues or income from continuing operations should be described.

The Parent Company's and its subsidiaries' performance will continue to hinge on the overall economic performance of the Philippines and other countries where its subsidiaries operate. Key economic indicators, interest rate and foreign exchange rate movements will continue to impact the performance of the real estate, banking, telecom, water infrastructure, power generation, electronics manufacturing and automotive groups, including the Parent Company.

AC Group shall continue to align our key strategies and adjust our business models to be able to adapt to changing consumption patterns, consumer behaviors, business and regulatory environment as quickly as possible in order to remain relevant, manage execution and expansion risks and to preserve value in the midst of this pandemic.

- 2.6 Any significant elements of income or loss that did not arise from the registrant's continuing operations

- None

- 2.7 There were no material changes in estimates of amounts reported in prior interim period of the current financial year and interim period of the prior financial year, respectively.

None

- 2.8 Causes for any material variances
(Increase or decrease of 5% or more in the financial statements)

Balance Sheet Items

As at September 30, 2025 (Unaudited) and December 31, 2024 (Audited)

Accounts and notes receivable:

(In Millions)	September 2025	December 2024	% Inc. (Dec.)	% of Total Assets	
				September 2025	December 2024
Current	₱163,983	₱158,358	4%	9%	9%
Noncurrent	159,431	151,065	6%	9%	9%
Total	₱323,414	₱309,423	5%	17%	18%

Combined movements came from ACEIC's higher interest receivable on development loans and bridge financing, ALI's increase in real estate revenues, AC Health's higher receivables from HMO and government; offset by ACEIC's provisions for expected credit loss on its Vietnam Wind receivables, and collections of AC's dividends receivable and Philwater's receivable from the sale of MWCI shares. These accounts are 17% and 18% of total assets as of September 30, 2025 and December 31, 2024, respectively.

Inventories – 7% increase from ₱247,753 million to ₱266,129 million

Increase attributable to ALI's new land acquisitions and completed project constructions and AC Industrials' additional BYD and Kia vehicle units; offset by IMI's reduced inventories as lower sales consumed existing inventories and tempered additional purchases. This account is 14% of total assets as of September 30, 2025 and December 31, 2024.

Investments in associates and joint ventures – 5% increase from ₱401,222 million to ₱422,517 million

Increase attributable to equity earnings from BPI, Globe, Mynt/GCash, LRMHI, ACEIC and ALI investees; ₱2.2 billion dilution gain (₱0.7 billion as AC's equity share) recognized by Globe on its investment in Mynt/GCash as a result of MUFG's entry into Mynt; AC's purchase of additional IPO shares from Anscor equivalent to 2.8% effective ownership; and ACEIC and ALI's additional investments net of disposals. These were offset by dividends received from investments such as BPI, Globe, and LHI; provisions net of reversals during the period; and the impact of AC's strategic partnership with Mitsubishi Corporation which led to partial divestment of AC Ventures (renamed "AM

50 Ventures”) and corresponding remeasurement of the 50.0% retained interest. This account is 23% of total assets as of September 30, 2025 and December 31, 2024.

Investment properties – 5% increase from ₱262,904 million to ₱277,237 million

Increase primarily from ALI’s ongoing construction and renovations of mall buildings, land acquisitions, and acquisition of ABS-CBN property. This account is 15% of total assets as of September 30, 2025 and December 31, 2024.

Property, plant and equipment – 12% increase from ₱178,131 million to ₱199,525 million

Increase attributable to ACEIC’s continued investments in solar and wind farm projects including capitalized borrowing costs and development management fees, and ALI’s New World Hotel acquisition and hotel properties renovations; offset by effect of IMI’s disposal of its Czech subsidiary as well as the Group’s period depreciation and amortization. This account is 11% and 10% of total assets as of September 30, 2025 and December 31, 2024, respectively.

Right-of-use assets – 6% decrease from ₱24,562 million to ₱23,075 million

Decrease due to Group’s period depreciation and amortization of leased assets, and reduction from AC Logistics’ lease modifications and derecognition of various leases; offset by AC Health’s additional long-term lease with FEU and AC Industrials’ new leases for BYD dealerships. This account is 1% of total assets as of September 30, 2025 and December 31, 2024.

Deferred tax assets (DTA) – 6% decrease from ₱20,220 million to ₱18,975 million

Decrease due to the difference between ALI’s tax and book basis of accounting for real estate transactions. This account is 1% of total assets as of September 30, 2025 and December 31, 2024.

Other noncurrent assets – 12% increase from ₱87,276 million to ₱97,403 million

Increase arose from ACEIC and ALI’s advances to contractors, ACEIC’s advances for land acquisitions and derivative asset related to the Australian market’s 20-year Long-term Energy Service Agreements (LTESAs) for two of its solar projects in New South Wales. This account is 5% of total assets as of September 30, 2025 and December 31, 2024.

Short-term debt – 25% increase from ₱75,556 million to ₱94,194 million

Increase due to net borrowings of ACEIC, ALI, and AYCFL, partly offset by net loan settlements of AC and IMI. This account is 9% and 7% of total liabilities as of September 30, 2025 and December 31, 2024, respectively.

Accounts payable and accrued expenses – 7% increase from ₱223,662 million to ₱239,603 million

Increase due to ALI and AC Industrials’ trade payables and accruals from ramp up of activities; offset by the AC’s payment of dividends payable and ACEIC’s settlements to suppliers and service providers. This account is 23% and 22% of total liabilities as of September 30, 2025 and December 31, 2024, respectively.

Income tax payable – 6% decrease from ₱820 million to ₱771 million

Decrease mainly from ALI’s income tax payments during the period. This account is less than 1% of total liabilities as of September 30, 2025 and December 31, 2024.

Other current liabilities – 5% decrease from ₱23,729 million to ₱22,608 million

Decrease primarily from ALI’s conversion of customer deposits to sales bookings. This account is 2% of total liabilities as of September 30, 2025 and December 31, 2024.

Lease liabilities:

(in Millions)	September 2025	December 2024	% Inc. (Dec.)	% of Total Liabilities	
				September 2025	December 2024
Current	₱3,597	₱4,648	(23%)	0%	0%
Noncurrent	29,319	28,794	2%	3%	3%
Total	₱32,916	₱33,442	(2%)	3%	3%

Combined decrease driven by Group's lease payments during the period, AC Logistics' remeasurement from lease modifications, and additional leases of AC Health and AC Industrials. Refer to the corresponding decrease in right of use assets. This account is 3% of total liabilities as of September 30, 2025 and December 31, 2024.

Deferred tax liabilities – 8% decrease from ₱15,383 million to ₱14,193 million

Decrease from ALI's real estate transactions and Philwater's payment of deferred capital gains tax on the sale of its investment in MWC. This account is 1% and 2% of total liabilities as of September 30, 2025 and December 31, 2024, respectively.

Other noncurrent liabilities – 12% increase from ₱53,996 million to ₱60,394 million

Increase due to ALI's higher contractors payable and the installment payable for the ABS-CBN property, and the reclassification of from current to noncurrent of AC Industrials' payable to Roadworthy Cars, Inc. in relation to last year's share purchase agreement covering KP Motors Corporation shares. This account is 6% and 5% of total liabilities as of September 30, 2025 and December 31, 2024, respectively.

Pension liabilities – 5% decrease from ₱5,952 million to ₱5,678 million

Decrease attributable AC's retirement fund contribution¹ offset by retirement expense and interest on defined benefit plans during the period. This account is below 1% of total liabilities as of September 30, 2025 and December 31, 2024.

Paid-in capital – 20% increase from ₱93,384 million to ₱112,383 million

Increase from mainly from the proceeds of AC's reissuance of its Preferred "B" shares during the period. This account is 14% and 13% of total equity as of September 30, 2025 and December 31, 2024, respectively.

Fair value reserve of financial assets at FVOCI – 52% decrease from (-)₱3,127 million to (-)₱1,499 million

Decrease mainly due to ACEIC and BPI's net gains on mark-to-market valuation of its financial assets at FVOCI, and IPO's revaluation gain on land property carried at appraised values; offset by AC Parent's net fair value adjustments for hedging instruments and Bestfull's mark-to-market net losses of financial assets at FVOCI. This account is below 1% of total equity as of September 30, 2025 and December 31, 2024.

Cumulative translation adjustments (CTA) – 57% increase from ₱4,411 million to ₱6,940 million

Increase due to forex translation (movement in forex) of the Ayala Group's business units with US Dollar functional currencies. Closing rate of PHP per USD1.00 was ₱58.20 vs. ₱57.85 as of September 30, 2025 and December 31, 2024, respectively. This account is below 1% of total equity as of September 30, 2025 and December 31, 2024.

Retained earnings – 12% increase from ₱335,194 million to ₱376,893 million

Increase arose mainly from the overall net income growth of the Group net of AC dividends declared during the period. This account is 48% and 46% of total equity as of September 30, 2025 and December 31, 2024, respectively.

Income Statement Items

For the Periods Ended September 30, 2025 and 2024 (Both Unaudited)

General and administrative expenses (GAE) – 18% decrease from ₱37,784 million to ₱31,026 million

Decrease mainly from this year's lower Group impairment provisions which includes ACEN's ₱2.7 billion (₱1.6 billion AC equity share) provision for expected credit loss (ECL) on receivables from Vietnam Wind projects (see Note 6), ₱885.0 million additional provision for IPO (see Note 10); versus last year's provisions on investments such as IMI including VIA, and for AC Infra/AC Logistics (see Notes 7, 11, and 12). Isolating both periods' provisions for impairment, normalized GAE increased by 1% due to higher advertising, taxes and licenses, and provisions for ECL on receivables; despite the cushioning impact of cost rationalization and restructuring measures in AC Logistics and IMI. As a

¹ The Parent Company's pension fund is known as the AC Employees Retirement Fund (ACERF). Further details on ACERF are discussed in Note 27 of Ayala's 2024 Audited Consolidated Financial Statements.

percentage of total costs and expenses, this account is at 15% and 18% for the periods ended September 30, 2025 and 2024, respectively.

Other income – 48% increase from ₱10,914 million to ₱16,184 million

Increase attributable to a ₱10.4 billion remeasurement gain from the partial divestment of AC Ventures (renamed as “AM 50 Ventures”) in August 2025 and the fair revaluation of the Group’s remaining interest (see Notes 3 and 10); AC Ventures’ ₱1.0 billion calculated dilution gain on its investment in Mynt/GCash arising from Mynt’s issuance of primary shares to MUFG in February 2025, wherein AC Ventures did not participate, resulting in a change in AC Ventures’ effective % ownership in Mynt from 13.67% to 13.22%; and AC Infra’s ₱248.1 million reversal of provision for the investment in LRMHI (see Note 10). These were offset by the impact of last year’s one-off such as the ₱4.2 billion calculated Group dilution gain arising from BPI and Robinsons Bank’s merger, ₱0.6 billion gain on the sale of MWCI shares, and ACEIC’s gain on early redemption of ACRI redeemable preferred shares and on early extinguishment of convertible loans. In addition, there were higher dividend income and net foreign exchange losses in the current period.

Interest and other financing charges – 17% increase from ₱24,976 million to ₱29,251 million

Increase came from the Group’s new borrowings and higher interest rates during the period partly offset by ACEIC’s capitalization of financing costs related to its projects.

Provision for income tax (current and deferred) – 14% decrease from ₱7,425 million to ₱6,407 million

Decrease mainly from ACEIC’s higher deferred tax benefit this period.

Income attributable to owners of the Parent – 36% increase from ₱33,965 million to ₱46,265 million

Increase came from better operating results of ALI, BPI, IMI, AC Industrials, AC Infra, AC Ventures/AM 50 Ventures; offset by lower contribution from ACEIC and Globe. As a percentage of total net income, this account is at 76% and 68% for the periods ended September 30, 2025 and 2024, respectively.

Income attributable to non-controlling interests – 5% decrease from ₱15,643 million to ₱14,835 million

Decrease due to ACEIC’s reduced share of non-controlling interests on its current period earnings; offset by the improvement in the current year performance of ALI and lower attributable net losses of AC Logistics. As a percentage of total net income, this account is at 24% and 32% for the periods ended September 30, 2025 and 2024, respectively.

2.9 Any seasonal aspects that had a material effect on the financial condition or results of operations.

A significant majority of the Group’s revenues are derived from its real estate and financial services businesses. Traditionally, these industries have been subject to cyclical risks relating to the broader economic environment. As a result, the Group is subject to cyclical risks and its financial condition may be materially and adversely impacted as a result of any economic slowdown or stagnation in growth in the Philippines.

Furthermore, the receivables and inventories of Ayala Land, Ayala’s largest subsidiary, have historically exhibited cyclical trends based on the timing and progress of its projects and their respective stages of development. Historically, such cyclical trends have in turn resulted in similar cyclical trends in the cash flows of Ayala. There is no assurance that Ayala Land’s receivables and inventories will not continue to fluctuate in the future, which may adversely impact Ayala’s financial condition.

The Investment and Finance Committees review the performance of each business unit at least twice a year: a general review, which covers Ayala’s portfolio of businesses; and a specific business unit review. In the latter, the business unit’s performance is measured against several metrics including the current budget, the latest medium-term plan and often, against competitors. The objective of these reviews is to refine capital allocation depending on performance, and if needed, suggest changes to the business plans or strategies.

3.0 Any material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

Refer to Note 23 of the Notes to Unaudited Interim Condensed Consolidated Financial Statements.

3.1 Other material events or transactions during the interim period.

Refer to Notes 3 and 10 of the Notes to Unaudited Interim Condensed Consolidated Financial Statements.

Section 3. Supplementary Schedules

AYALA CORPORATION AND SUBSIDIARIES

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION

As at September 30, 2025 and December 31, 2024

(In Thousands)

In accordance with the Revised SRC Rule 68 and SEC Memorandum Circular No. 16-2023, the reconciliation of the Parent Company's retained earnings available for dividend declaration as of September 30, 2025 (audited) and December 31, 2024 (audited) follows:

	September 2025 (Unaudited)	December 2024 (Audited)
	In Thousands	
Unappropriated retained earnings, beginning of reporting period*	₱67,898,508	₱61,589,700
Add: <u>Category A</u> : Items that are directly credited to unappropriated retained earnings		
Reversal of retained earnings appropriation/s	-	-
Effect of restatements or prior-period adjustments	-	-
Others (describe nature)	-	-
Subtotal	-	-
Less: <u>Category B</u> : Items that are directly debited to unappropriated retained earnings		
Dividend declaration during the reporting period	(4,504,158)	(7,002,201)
Retained earnings appropriated during the reporting period	-	-
Effect of restatements or prior-period adjustments	-	-
Others: Sale/retirement of investment in FVOCI	32,661	-
Subtotal	(4,471,497)	(7,002,201)
Unappropriated retained earnings, beginning as adjusted*	63,427,011	54,587,499
Add (less): Net Income (loss) for the current year	4,432,556	9,278,311
Less: <u>Category C.1</u> : 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 cash equivalents	-	-
Unrealized fair value adjustment (mark-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 the PFRS (describe nature)	-	-
Subtotal	-	-
Add: <u>Category C.2</u> : 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 (mark-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 (describe nature)	-	-
Subtotal	-	-

	September 2025 (Unaudited)	December 2024 (Audited)
	In Thousands	
Add: <u>Category C.3</u> : 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 (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	-
Reversal of previously recorded 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, previously recorded (describe nature)	-	-
Subtotal	-	-
Adjusted net income (loss)	67,859,567	63,865,810
Add: <u>Category D</u> : Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	-
Others (describe nature)	-	-
Subtotal	-	-
Add (less): <u>Category E</u> : 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 (describe nature)	-	-
Subtotal	-	-
Less: <u>Category F</u> : 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)	(972,875)	4,050,907
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	-	-
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, i.e., set up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable.	77,044	(18,209)
Adjustment due to deviation from PFRS/GAAP – gain (loss)	-	-
Others (describe nature)	-	-
Subtotal	(895,831)	4,032,698
Total retained earnings, end of the reporting period available for dividend	₱66,963,736	₱67,898,508

**Reconciliation of unappropriated retained earnings, beginning of reporting period:*

	September 2025 (Unaudited)	December 2024 (Audited)
	In Thousands	
Unappropriated retained earnings, beginning (per audited FS)	₱78,470,997	₱76,194,886
Add (less):		
Treasury shares, beginning	(10,495,444)	(14,546,351)
Deferred tax asset, beginning	(77,044)	(58,835)
Unappropriated retained earnings, beginning of reporting period	₱67,898,509	₱61,589,700

AYALA CORPORATION AND SUBSIDIARIES
FINANCIAL SOUNDNESS INDICATORS
As at September 30, 2025 and December 31, 2024

Ratio	Formula	September 2025 (Unaudited)	December 2024 (Audited)/ September 2024 (Unaudited)
Liquidity Analysis Ratios			
Liquidity Ratio*	$\frac{\text{Cash and cash equivalents} + \text{Short-term investments}}{\text{Current liabilities}}$	0.19	0.20
Current Ratio*	$\frac{\text{Current assets}}{\text{Current liabilities}}$	1.48	1.50
Quick Ratio*	$\frac{\text{Quick assets}}{\text{Current liabilities}}$	0.78	0.80
Solvency Ratio*	$\frac{\text{Total assets}}{\text{Total liabilities}}$	1.75	1.71
Financial Leverage Ratios			
Assets- to-Equity Ratio*	$\frac{\text{Total assets}}{\text{Total stockholders' equity}}$	2.34	2.41
Interest Rate Coverage Ratio**	$\frac{\text{Earnings before interest and taxes (EBIT)}}{\text{Interest and other financing charges}}$	3.31	3.28
Debt Ratio*	$\frac{\text{Short-term debt} + \text{Long-term debt}}{\text{Total assets}}$	0.37	0.38
Debt-to-Equity Ratio*	$\frac{\text{Short-term debt} + \text{Long-term debt}}{\text{Total stockholders' equity}}$	86.3%	91.9%
Net Debt-to-Equity Ratio*	$\frac{\text{Net debt}}{\text{Total stockholders' equity}}$	76.5%	81.4%
Profitability Ratios			
Gross Profit Margin**	$\frac{\text{Sale of goods and rendering of services} - \text{Cost of sales and services}}{\text{Sale of goods and rendering of services}}$	0.28	0.28
Net Profit Margin**	$\frac{\text{Net profit}}{\text{Sale of goods and rendering of services}}$	0.15	0.11
Return on Equity**	$\frac{\text{Net income to owners of the Parent}}{\text{Total stockholders' equity}}$	5.8%	4.7%
Return on Common Equity***	$\frac{\text{Net income to owners of the Parent (Common)}}{\text{Common equity attributable to owners of the Parent (Average)}}$	10.4%	8.4%
Return on Assets**	$\frac{\text{Net income}}{\text{Total assets}}$	3.3%	2.9%
Price/Earnings Ratio**	$\frac{\text{Price per share}}{\text{Earnings per common share (Basic)}}$	6.74	12.72
Other Ratio			
Book Value per Share*	$\frac{\text{Common equity attributable to owners of the Parent}}{\text{Outstanding common shares}}$	727.75	652.22

*Based on "As at" September 30, 2025 and December 31, 2024 balances.

**Includes both "As at" and "Period ended" September 30, 2025 and 2024 balances.

***Includes both "As at" and "Period ended" September 30, 2025, December 31, 2024, September 30, 2024, and December 31, 2023 balances.

AYALA CORPORATION AND SUBSIDIARIES**LISTED COMPANIES WITH A RECENT OFFERING OF SECURITIES TO THE PUBLIC****As at September 30, 2025**

(In Thousands)

1. Gross and net proceeds as disclosed in the final prospectus

	Base Offer of P10 Billion	Base Offer with Oversubscription Option of up to P10 Billion
Gross proceeds	P10,000,000	P20,000,000
Net proceeds	P9,911,016	P19,861,279

2. Actual gross and net proceeds**AC Preferred Class "B" Series Re-issuance
(APB4) Offering Proceeds****P20,000,000**

Less: Related Disbursements		
SEC registration and legal research fee	P5,618	
Documentary stamp tax	10,000	
PSE filing fee	20,000	
VAT on PSE Filing Fee	2,400	
Fees paid to the Joint Issue Managers and the Joint Lead Underwriters and Bookrunners, and Selling Agents (other than the PSE Trading Partners)	79,078	
Stock Transfer Service Inc.'s receiving agent service fee	794	
Professional expenses	3,573	
Marketing/printing/photocopying costs and out-of-pocket expenses	311	121,774
Balance of proceeds as of June 30, 2025		P19,878,226
Less:		
Legal fees	293	
Fees paid to the Trading Participants	2,500	
Professional expenses / Other expenses	29,729	
Repayment of BPI short-term loan	11,500,000	
Partial repayment of BPI short-term loan	1,300,000	12,832,521
Balance of proceeds as of September 30, 2025		P7,045,704

3. Each expenditure item where the proceeds were used

As of September 30, 2025, the proceeds were used in the upfront expenses related to the sale of the Offer Shares, repayment of P11.50 billion BPI short-term loan, and partial repayment of P1.30 billion for another BPI short-term loan.

4. Balance of the proceeds as of end of reporting period

The balance of the proceeds as of September 30, 2025 is P7.05 billion.

PART II - OTHER INFORMATION

Other major information about the Group are disclosed in the appropriate notes in the previously filed Audited Consolidated Financial Statements for December 31, 2024 or in the SEC 17-A/ SEC 17-Q and SEC 17-C reports for 2024.

In addition, the Group has the following other major information:

1. On March 13, 2025, the Parent Company's BOD, at its regular meeting, approved the following:
 - a. The issuance of Philippine Peso Preferred Shares with a base amount of Php10,000,000,000.00 with an oversubscription option for up to an additional Php10,000,000,000.00, as endorsed by our Finance Committee, subject to regulatory requirements. Appropriate disclosures shall be made once the final terms have been finalized.
 - b. The changes to the Enterprise Risk Management Policy, as endorsed by our Risk Management and Related Party Transactions Committee, which includes risk likelihood scale, risk impact scale, and risk assessment and reporting.
 - c. The promotion of Mr. Mark Robert H. Uy to Managing Director from Executive Director effective January 1, 2025, as endorsed by our Corporate Governance and Nomination Committee. Mr. Uy is our Head of Corporate Strategy and Business Development.
 - d. The ratification of the action of the Parent Company's Executive Committee approving the AC Samurai Loan with Mizuho Bank and Sumitomo Mitsui Banking Corporation of up to US\$200 Million (equivalent) in Japanese Yen.
2. On April 25, 2025, at the Parent Company's annual stockholders meeting, the stockholders approved the following resolutions:
 - a. Approval of minutes of previous meeting
Resolution No. S-01-2025: "RESOLVED, to approve the minutes of the annual stockholders' meeting held on April 26, 2024."
 - b. Ratification of the acts of the Board of Directors and Management
Resolution No. S-02-2025: "RESOLVED, to ratify each and every act and resolution, from April 26, 2024 to April 25, 2025 (the "Period"), of the Board of Directors (the "Board") and the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act of the officers of the Corporation, during the Period, performed in accordance with the resolutions of the Board, the Executive Committee and other Board committees as well as with the By-laws of the Corporation."
 - c. Approval of the revised Employee Stock Ownership (ESOWN) Plan
Resolution No. S-03-2025: "RESOLVED, to approve the amendment of the Corporation's Employee Stock Ownership (ESOWN) Plan including provisions on the implementation of the Restricted Share Plan to complement the ESOWN Program as Long-Term Incentive Programs for the Corporation's employees, directors (excluding independent directors), and consultants of the Ayala Group, as approved and endorsed by the Board of Directors."
 - d. Election of directors (including the Independent Directors)
Resolution No. S-04-2025: "RESOLVED, to elect the following as directors of the Corporation to serve as such beginning April 25, 2025 until their successors are elected and qualified:

Jaime Augusto Zobel de Ayala
Cezar P. Consing
Delfin L. Lazaro
Fernando Zobel de Ayala
Rizalina G. Mantaring (Independent Director)
Chua Sock Koong (Independent Director)
Emmanuel P. Maceda (Independent Director)"

- e. Election of external auditor and fixing of its remuneration
Resolution No. S-05-25: "RESOLVED, as endorsed by the Board of Directors, to approve the election of SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2025 for an audit fee of PHP11,681,280.00, exclusive of value-added tax."
- f. Approval of the Audited Financial Statements including noting of Annual Report
Resolution No. S-06-2025: "RESOLVED, to approve the consolidated audited financial statements of the Corporation and its subsidiaries as of December 31, 2024, as audited by the Corporation's external auditor, SyCip Gorres Velayo & Co., and to note the annual report of the Corporation."

At its organizational meeting held immediately after the stockholders' meeting, the Board of Directors considered and approved the following:

- a. Election of Mr. Jaime Augusto Zobel de Ayala and Mr. Fernando Zobel de Ayala as Chairman and Vice Chairman of the Board, respectively;
- b. Election of Chairpersons and Members of the Board and Board-appointed Committees:

Executive Committee

Jaime Augusto Zobel de Ayala	Chairman
Delfin L. Lazaro	Vice Chairman
Cezar P. Consing	Member

Audit Committee

Rizalina G. Mantaring	(independent director)	Chairman
Emmanuel P. Maceda	(independent director)	Member
Chua Sock Koong	(independent director)	Member

Risk Management and Related Party Transactions Committee

Cesar V. Purisima	(independent director)	Chairman
Rizalina G. Mantaring	(independent director)	Member
Fernando Zobel de Ayala		Member

Corporate Governance and Nomination Committee

Chua Sock Koong	(independent director)	Chairman
Rizalina G. Mantaring	(independent director)	Member
Emmanuel P. Maceda	(independent director)	Member

Personnel and Compensation Committee

Chua Sock Koong	(independent director)	Chairman
Fernando Zobel de Ayala		Member
Rizalina G. Mantaring	(independent director)	Member

Finance Committee

Delfin L. Lazaro	Chairman
Jaime Augusto Zobel de Ayala	Member
Cezar P. Consing	Member
Fernando Zobel de Ayala	Member

Sustainability Committee

<u>Sustainability Committee</u>		
Fernando Zobel de Ayala		Chairman
Emmanuel P. Maceda	(independent director)	Member
Chua Sock Koong	(independent director)	Member

Committee of Inspectors of Proxies and Ballots

Maria Franchette M. Acosta	Chairman
Catherine H. Ang	Member
Josephine G. De Asis	Member

- c. Election of Ms. Rizalina G. Mantaring as lead independent director;
- d. Election of key officers²:

² Excluding seconded officers

Cezar P. Consing	President and Chief Executive Officer
Alberto M. de Larrazabal	Senior Managing Director, Chief Finance Officer and Finance Group Head
Maria Franchette M. Acosta	Managing Director, Chief Legal Officer, Corporate Secretary, Compliance Officer, Data Protection Officer and Corporate Governance Group Head
Catherine H. Ang	Managing Director and Chief Audit Executive
Karl Kendrick T. Chua	Managing Director and Data Analytics and Artificial Intelligence Group Head
Francisco Romero Milan	Managing Director and Chief Human Resource Officer and Corporate Resources Group Head
Juan Carlos L. Syquia	Managing Director and Deputy Chief Finance Officer*
Mark Robert H. Uy	Managing Director and Corporate Strategy and Business Development Group Head
Estelito C. Biacora	Executive Director and Treasurer
Josephine G. De Asis	Executive Director and Controller
Jaime Z. Urquijo	Executive Director and Chief Sustainability and Risk Officer, Strategic Communications, State Affairs, Security Management, Risk and Crisis Management and Sustainability Group Head
Rosario Carmela G. Austria	Assistant Corporate Secretary
<i>*Effective May 1, 2025</i>	

- e. The 2025 stock option program³ pursuant to our Employee Stock Ownership Plan (the "Plan"). The program authorizes the grant to 114 executives, in accordance with the terms of the Plan, stock options covering up to a total of 812,000 common shares at a subscription price of Php558.61 per share, which is the rounded off volume-weighted average prices of our common shares at the Philippine Stock Exchange over the last 5-day trading days from April 16, 2025 to April 24, 2025.
- f. The following are the member of Ayala's Management Committee:

Cezar P. Consing
 Maria Franchette M. Acosta
 Karl Kendrick T. Chua
 Alberto M. de Larrazabal
 Francisco Romero Milan
 Juan Carlos L. Syquia*
 Jaime Z. Urquijo
 Mark Robert H. Uy
**effective May 1, 2025*

3. In its regular meeting last January 22, 2025, BPI's BOD approved the secondment of EVP Juan Carlos L. Syquia, Head of Institutional Banking, to Ayala Corporation (Ayala) effective May 1, 2025 to assume a senior role at Ayala, subject to approval of the BOD of Ayala.

On February 13, 2025, BPI approved the appointment of Senior Vice President (SVP) Luis Geminiano E. Cruz as Head of Institutional Banking, effective May 1, 2025, subject to regulatory approval. His appointment follows the secondment of Juan Carlos L. Syquia to Ayala Corporation.

4. On April 21, 2025, at BPI's annual stockholders meeting, its stockholders approved the following resolutions:
 - a. Approval of the minutes of the Annual Meeting of the Stockholders on April 23, 2024.
Resolution No. ASM-2025-01 - RESOLVED, to approve the minutes of the Annual Stockholders' Meeting held on April 23, 2024.
 - b. Ratification of the acts of the Board of Directors and Officers.
Resolution No. ASM-2025-02 - RESOLVED, to ratify all the acts and resolutions of the Board of Directors, Executive Committee, and other Board Committees, and all the acts of Management since the Annual Stockholders' Meeting on April 23, 2024 until April 21, 2025.

³ Subject to notification of and submission to the SEC of the revised Employee Stock Ownership Plan

c. Election of Directors (including the Independent Directors)

Resolution No. ASM-2025-03 - RESOLVED, to elect the following as directors of the Bank to serve as such beginning today until their successors are elected and qualified:

Jaime Augusto Zobel de Ayala
Cezar P. Consing
Janet Guat Har Ang*
Jose Teodoro K. Limcaoco
Rizalina G. Mantaring*
Mario Antonio V. Paner*
Rene dC. Banez
Karl Kendrick T Chua Wilfred 1: Co
Restituto C. Cruz*
Emmanuel S. de Dias*
Cesar V. Purisima*
Jaime Z. Urquijo
Fernando Zobel de Ayala
Mariana Beatriz E. Zobel de Ayala

*Nominated as Independent Director

Note: Subject to confirmation by the BSP Monetary Board and other applicable regulatory confirmation/approvals.

d. Election of External Auditor and Fixing of its Remuneration

Resolution No. ASM-2025-04 -RESOLVED, to appoint Isla Lipana & Co. as the external auditor of BPI and its major subsidiaries and affiliates for the year 2025 for an audit fee of PHP 30.843Mn.

e. Approval of the Audited Financial Statements and Noting of Annual Report

Resolution No. ASM-2025-05 -RESOLVED, to approve the audited financial statements of Bank of the Philippine Islands and Subsidiaries as of December 31, 2024.

5. On April 22, 2025, at Globe's annual stockholders meeting, its stockholders approved the following resolutions:

a. Approval of Minutes of the Stockholders' Meeting held on April 24, 2024

Resolution No. S-01, Series of 2025: "RESOLVED, to approve the minutes of the Annual Stockholders' Meeting held on 24 April 2024."

b. Ratification of the acts of the Board of Directors and Management

Resolution No. S-02, Series of 2025: "RESOLVED, to ratify all the acts and resolutions of the Board of Directors, Executive Committee and other Board Committees, and all the acts of Management since the Annual Stockholders' Meeting on 24 April 2024 until 22 April 2025."

c. Election of Directors (including the Independent Directors)

Resolution No. S-03, Series of 2025: "RESOLVED, to elect the following as directors of the Corporation for the ensuing year to serve as such, beginning today until their successors are elected and qualified:

Jaime Augusto Zobel de Ayala
Tan Mee Ling Aileen
Jaime Alfonso Antonio Zobel de Ayala
Ng Kuo Pin
Delfin L. Lazaro
Cezar P. Consing
Cirilo P. Noel (Independent)
Natividad N. Alejo (Independent)
Ramon L. Jocson (Independent)
Antonio Jose U. Periquet, Jr. (Independent)

Carl Raymond R. Cruz”

d. Approval of the Offer, Issuance or Reissuance, and Listing of up to Forty Million Non-Voting Preferred Shares

Resolution No. S-04, Series of 2025: “RESOLVED, to approve the offer, issuance or re-issuance, and listing of up to Forty Million (40M) non-voting preferred shares (hereafter the “Offer, Issuance or Re-Issuance, and Listing of Non-Voting Preferred Shares”),

RESOLVED FURTHER, to (1) delegate (a) to the Board of Directors of the Corporation (the “Board”) full authority, solely on its discretion, to approve any offering, issuance or re-issuance (in case of redeemed Non-Voting Preferred Shares), and listing on an appropriate securities exchange of any class, series or tranche of the Non-Voting Preferred Shares from the authorized capital stock of the Corporation, from time to time, including the terms, denomination, and timing of such offer, issuance or re-issuance, and listing; and (b) to the Corporation’s Management and Attorneys-in-Fact full authority , solely on their discretion, to prepare, file and submit the appropriate application for any registration and/or listing with the relevant regulatory authority to implement any such transaction; and (2) to adopt as the resolution of the stockholders of the Corporation the resolutions of the Board for the Offer, Issuance or Re-Issuance, and Listing of Non-Voting Preferred Shares.”

e. Election of External Auditor and Fixing of its Remuneration

Resolution No. S-05, Series of 2025: “RESOLVED, to appoint Isla Lipana & Co./PwC Philippines (PwC) as the Corporation’s External Auditor for the year 2025 with a remuneration of Php18.19Mn.”

f. Approval of the Audited Financial Statements and Noting of Annual Report

Resolution No. S-06, Series of 2025: “RESOLVED, to approve the Consolidated Audited Financial Statements of the Corporation and its Subsidiaries as of 31 December 2024, as audited by the Corporation’s External Auditor Isla Lipana & Co./PwC Philippines (PwC).”

6. On April 22, 2025, at IMI’s annual stockholders meeting, its stockholders approved the following resolutions:

a. Approval of minutes of previous meeting

Resolution No. S-01-2025: “RESOLVED, to approve the minutes of the annual stockholders’ meeting held on 25 April 2024.”

b. Ratification of the acts of the Board of Directors and Management

Resolution No. S-02-2025: “RESOLVED, to ratify each and every act and resolution, from 25 April 2024 to 22 April 2025 (the “Period”), of the Board of Directors (the “Board”) and the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act, during the Period, of the officers of the Corporation performed in accordance with the resolutions of the Board, the Executive Committee and other Board committees as well as with the By-laws of the Corporation.”

c. Approval of the Second Article of the Articles of Incorporation

Resolution No. S-03-2025: “RESOLVED, as endorsed by the Board of Directors, to approve the amendments to the Second Article of the Amended Articles of Incorporation to include in the primary purpose of the Corporation providing of warehousing and logistics services, and for this purpose, the Second Article of the Amended Articles of Incorporation shall henceforth read as follows:

xxx xxx

SECOND: The purposes for which this Corporation is formed are:

PRIMARY PURPOSE

xxx xxx

j) To provide warehousing/logistics support services, particularly

importation/procurement, storage, deposit, inventory management of goods for subsequent sales, transfers or dispositions to clients, interested establishments, agencies and/or export enterprises. (As amended on April 22, 2025)”

d. 2025 Employee Stock Option Program

Resolution No. S-04-2025: “RESOLVED, to approve the Corporation’s 2025 Employee Stock Option Program, which may be in the form of a Stock Appreciation Rights Plan that grants to key talents of the Corporation cash settled and/or equity settled options, at the option of the Corporation, of up to 5% of the Corporation’s authorized capital stock.”

e. Election of the directors (including the independent directors)

Resolution No. S-05-2025: “RESOLVED, to elect the following as directors of the Corporation to serve as such beginning 22 April 2025 until their successors are elected and qualified:

Alberto M. de Larrazabal
Louis Sylvester Hughes
Jaime Z. Urquijo
Mark Robert H. Uy
Jose Ignacio A. Carlos
Rafael C. Romualdez
Gilles Bernard
Roland Joseph L. Duchâtelet
Jesse O. Ang (independent director)
Sherisa P. Nuesa (independent director)
Hiroshi Nishimura (independent director)”

f. Election of external auditor and fixing of its remuneration

Resolution No. S-06-2025: “RESOLVED, as endorsed by the Board of Directors, to approve the election of SyCip Gorres Velayo & Co. as the external auditor of the Corporation for the year 2025 for an audit fee of Php4,887,543, exclusive of value added tax.”

g. Approval of the Audited Financial Statements, including Noting of Annual Report

Resolution No. S-07-2025: “RESOLVED, to approve the consolidated audited financial statements of the Corporation and its subsidiaries as of December 31, 2024, as audited by the Corporation’s external auditor, SyCip Gorres Velayo & Co., and to note the annual report of the Corporation.”

7. On April 24, 2025, at ALI’s annual stockholders meeting, its stockholders approved the following resolutions:

a. Approval of minutes of previous meeting

Resolution No. S-01-25: “RESOLVED, to approve the minutes of the annual stockholders’ meeting held on April 25, 2024.”

b. Ratification of the acts and resolutions of the Board of Directors and Management during the preceding year

Resolution No. S-02-25: RESOLVED, to ratify each and every act and resolution, from April 25, 2024 to April 24, 2025 (the “Period”), of the Board of Directors (the “Board”), the Executive Committee and other Board committees exercising powers delegated by the Board, and each and every act, during the Period, of the officers of the Corporation performed pursuant to the resolutions of the Board, the Executive Committee and other Board committees as well as pursuant to the By-laws of the Corporation.”

c. Amendment to the Seventh Article of the Articles of Incorporation

Resolution No. S-03-25: “RESOLVED, to approve the amendment to the Seventh Article of the Articles of Incorporation to decrease the authorized capital stock of the Corporation from Php21,437,602,946.401 to Php20,437,602,946.00 through the retirement of 1 Bn common shares held in Treasury.”

- d. ALI Performance Shares Plan
Resolution No. S-04-25: RESOLVED, to approve the Performance Share Plan, as forming part of the existing Employee Stock Ownership Plan of the Corporation, to be made available to qualified employees, consultants, and directors.”
- e. Election of the directors (including the Independent Directors)
Resolution No. S-05-25: “RESOLVED, to elect the following as directors of the Corporation to serve as such beginning today until their successors are elected and qualified:
- Jaime Augusto Zobel de Ayala
Cezar P. Consing
Anna Ma. Margarita B. Dy
Fernando Zobel de Ayala
Mariana Beatriz Zobel de Ayala
Daniel Gabriel M. Montecillo (Independent Director)
Cesar V. Purisima (Independent Director)
Rex Ma. A. Mendoza (Independent Director)
Surendra M. Menon (Independent Director)”
- f. Election of Isla Lipana & Co. as our external auditor for the year 2025 and fixing of its remuneration
Resolution No. S-06-25: “RESOLVED, as endorsed by the Board of Directors, to approve the election of Isla Lipana & Co. as the external auditor of the Corporation for the year 2025 for an audit fee of Four Million Seven Hundred Ninety Three Thousand Pesos (₱4,793,000.00), exclusive of value-added tax and five percent (5%) out of pocket expenses.”
- g. Audited Financial Statements, including noting of Annual Report
Resolution No. S-07-25: “RESOLVED, to note the Corporation’s Annual Report, which consists of the Message from the Chairman, the President’s Report, and the audio-visual presentations to the stockholders, and to approve the consolidated audited financial statements of the Corporation and its subsidiaries as of December 31, 2024, as audited by the Corporation’s external auditor, Isla Lipana & Co.”

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Registrant: **AYALA CORPORATION**

By:


JOSEPHINE G. DE ASIS
Authorized Signatory
Comptroller
Ayala Corporation

Date: November 13, 2025