

# COVER SHEET

SEC Registration Number

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COMPANY NAME

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

|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |   |   |   |  |   |   |   |  |
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Form Type

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Department requiring the report

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Secondary License Type, If Applicable

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## COMPANY INFORMATION

Company's Email Address

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Company's Telephone Number

**7918-8188**

Mobile Number

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No. of Stockholders

**5,550**

Annual Meeting (Month / Day)

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

Fiscal Year (Month / Day)

**12/31**

## CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

**Ms. Venus A. Mejia**

Email Address

**venus.mejia@filinvestg  
roup.com**

Telephone Number/s

**02-7918-8188**

## CONTACT PERSON'S ADDRESS

**79 EDSA, Brgy. Highway Hills, Mandaluyong City**

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

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

**SECURITIES AND EXCHANGE COMMISSION**  
**SEC FORM 17-A**

ANNUAL REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATIONS CODE  
AND SECTION 141 OF THE CORPORATION CODE OF THE PHILIPPINES

For the calendar year ended **December 31, 2025**

SEC Identification Number **170957**

BIR Tax ID **000-533-224**

Exact name of registrant as specified in its charter **FILINVEST LAND, INC.**

Province, Country or other jurisdiction of incorporation or organization **Philippines**

**Filinvest Bldg., #79 EDSA, Highway Hills, Mandaluyong City, Metro Mla.** **1550**  
Address of principal office Postal Code

Registrant 's telephone number, including area code **02-7918-8188 / 02-7588-1678**

**N/A**

Former name, former address, and former fiscal year, if changed since last report

Securities registered pursuant to Section 8 and 12 of the SRC

| <b><u>Title of Each Class</u></b> | <b><u>Number of shares of<br/>Common Stock<br/>Outstanding</u></b> | <b><u>Amount of Interest-bearing<br/>Debt Outstanding</u></b><br>In Php thousands |
|-----------------------------------|--------------------------------------------------------------------|-----------------------------------------------------------------------------------|
| Common Stock, P 1.00 par value    | 22,383,759,506                                                     | ₱82,754,810                                                                       |

Are any or all of these securities listed on the Philippine Stock Exchange

Yes

☒

No

☐

Check whether the issuer:

- has filed reports required to be filed by Section 17 of the SRC Rule 17 thereunder or Section 11 of the RSA Rule 1(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports):

Yes

☒

No

☐

- has been subject to such filing requirements for the past 90 days.

Yes

☒

No

☐

State the aggregate market value of the voting stock held by non-affiliates. **₱4.56 Billion**

**APPLICABLE ONLY TO ISSUERS INVOLVED IN INSOLVENCY/SUSPENSION  
OF PAYMENTS PROCEEDINGS DURING THE PRECEDING FIVE YEAR:**

Check whether the issuer has filed all documents and reports required to be filed by Section 17 of the Code subsequent to the distribution of securities under a plan confirmed by a court of the Commission.

Yes ☐ Not Applicable No ☐

If any of the following documents are incorporated by reference, briefly describe them and identify the part of SEC Form 17-1 into which the document is incorporated.

- (a) Any annual report to security holders;
- (b) Any proxy or information statement filed pursuant to SRC Rule 20 and 17.1(b);
- (c) Any prospectus filed pursuant to SRC Rule 8.1-1

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# **Part 1 – BUSINESS AND GENERAL INFORMATION**

## **Item 1. BUSINESS**

### **1. 1. Brief Description and Recent Developments**

Filinvest Land Inc. (“FLI” or “the Parent Company”) is one of the leading real estate developers in the country, providing a wide range of real estate products to residential and commercial customers. FLI (including its predecessor’s operations) has over 50 years of real estate expertise and has developed over 2,500 hectares of land, having provided home/home sites for over 200,000 families.

FLI is one of the largest nationwide residential developers in 55 cities and towns in 22 provinces in the Philippines. It is also one of the largest mid-rise buildings (MRB) developers in the country today and a market leader in the affordable and middle-income residential segments. It currently owns land bank of 1,578.3 hectares and has joint ventures arrangement for another 196.5 hectares, totaling 1,774.8 hectares under its control and management for sustainable future growth.

The Parent Company and its subsidiaries (collectively referred to as “the Group”) offer a range of real estate products from socialized and affordable housing to middle-income and high-end housing, various types of subdivision lots, medium-rise residential buildings, farm estates, industrial parks, residential resort projects and condominium buildings. The Group also leases out commercial and office spaces in Muntinlupa City, Makati City, Pasay City, Cebu City, Tagaytay City, Cavite, Dumaguete and Clark Mimoso. Upcoming locations are New Clark City (NCC), Ortigas, Manila, among others in the pipeline.

FLI now operates 40 office buildings totaling 720,314 square meters and 256,830 sq.m. Gross Leasable Area (GLA) in retail portfolio.

With a more diversified portfolio, FLI expects to generate stable recurring revenue from its retail and office investment properties. These recurring revenues can, in turn, be used to provide internally generated funding for other projects. FLI is not and has never been a subject of any bankruptcy, receivership, or similar proceedings.

#### *19.2-hectare South Road Properties*

In July 2015, FLI, Filinvest REIT Corp. (“FILRT”) and Filinvest Alabang, Inc. (“FAI”) (collectively referred to as “Filinvest Consortium”) won the bidding for a 19.20-hectare lot in Cebu’s South Road Properties (SRP). Thereafter, on August 7, 2015, the Filinvest Consortium entered into a Deed of Sale on Installment (DSI) with the Cebu City Government. In a letter dated January 6, 2017, the Cebu City Mayor questioned the validity of the sale and gave the buyers the option to withdraw from the sale at buyer’s discretion. In a letter to the Cebu City Mayor dated February 7, 2017 (the Letter), Filinvest Consortium expressed its intention to rescind the DSI. Under the DSI, Cebu City undertook to comply with several covenants, undertakings and obligations no later than February 7, 2016 (or 180 days from execution of the DSI). The Letter pointed out that as of February 7, 2017, the said covenants, undertakings and obligations have not been complied with and it does not appear that these will be complied with within a foreseeable reasonable period of time.

The rescission of the DSI shall only take effect upon return by Cebu City of the down payment and installment payments made to Cebu City by Filinvest Consortium, plus interests, within ninety (90) days from receipt of the Letter in accordance with Section 5.7 of the DSI. Pending receipt of such payments, the DSI shall remain valid and subsisting by and among the parties.

As of February 27, 2019, such payment has not been received, and no formal and definitive legal proceeding has been undertaken by the parties on this matter. Consequently, as of said date, the DSI remains valid and Filinvest Consortium has the sole and rightful claim over the property.

The 19.2-hectare property mentioned above is a separate property from the other two (2) properties within the SRP which were acquired from Cebu City: a) the 40-hectare property under a joint venture undertaking with Cebu City; and b) the 10-hectare property which was already paid in full by FLI to Cebu City.

On August 2, 2019, Filinvest Consortium informed Cebu City that the payments will be judicially consigned in accordance with law considering that to date, Cebu City has not yet returned the payments with interest, thus, the conditional rescission has already expired. In response, Cebu City issued a letter dated October 4, 2019 to FLI Consortium and insisted that the latter has no longer any debt to Filinvest Consortium as the DSI was effectively rescinded. Cebu City reiterates its willingness to restitute the Filinvest Consortium of the amount it has already paid prior the rescission.

The Cebu City Government and Filinvest Consortium came to a resolution on January 8, 2020 with the full payment and the signing of the Deed of Absolute Sale. The Filinvest Consortium paid on December 17, 2019 the full amount of the purchase price of the lot plus the accumulated interest for the unpaid installments since 2017. Accordingly, the matter has been resolved.

The carrying value of the property amounted to ₱1.48 billion as of December 31, 2025.

## 1.2. Form and Date of Organization

FLI was incorporated in the Philippines on November 24, 1989 as Citation Homes, Inc. and later changed its name to FLI on July 12, 1993. It started commercial operations in August 1993 after Filinvest Development Corporation (FDC), FLI's Parent Company, spun off its real estate operations and transferred all related assets and liabilities to FLI in exchange for shares of stock of FLI. FLI was listed on the Philippine Stock Exchange (PSE) on October 25, 1993.

As of December 31, 2025, FDC owns 71.41% of Common Stock and 100% of Preferred Stock of FLI. FDC is the holding company for real estate and other business activities of the Gotianun Family. FDC traces its origin to the consumer finance business established by Mr. Andrew Gotianun Sr. and his family in 1955. The shares of FDC and FLI are both listed in the Philippine Stock Exchange. The ultimate parent company of FLI is A. L. Gotianun, Inc.

## 1.3. Subsidiaries

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries. The nature of business and the corresponding percentages of ownership over these entities as at December 31, 2025, 2024 and 2023 are as follows. The voting rights held by the Group in these subsidiaries are in proportion to its ownership interest.

| Subsidiaries                                          | Nature of Business    | 2025 | 2024 | 2023 |
|-------------------------------------------------------|-----------------------|------|------|------|
| Filinvest AII Philippines, Inc. (FAPI)                | Real estate developer | 100% | 100% | 100% |
| FCGC Corporation (FCGCC)                              | Real estate developer | 100% | 100% | 100% |
| Filinvest BCDA Clark, Inc. (FBCI) <sup>1</sup>        | Real estate developer | 55%  | 55%  | 55%  |
| Gintong Parisukat Realty and Development Inc. (GPRDI) | Real estate developer | 100% | 100% | 100% |
| Homepro Realty Marketing, Inc. (Homepro)              | Real estate developer | 100% | 100% | 100% |
| SJR Developers, Inc. (SDI)                            | Real estate developer | 100% | 100% | 100% |
| Niyog Property Holdings, Inc. (NPHI) <sup>2</sup>     | Real estate developer | 100% | 100% | 100% |
| Cajel Realty Corporation (CRC) <sup>2</sup>           | Real estate developer | 100% | 100% | 100% |

(Forward)

| Subsidiaries                                              | Nature of Business                             | 2025 | 2024 | 2023 |
|-----------------------------------------------------------|------------------------------------------------|------|------|------|
| Crystal Ball Realty & Management Inc. (CBRM) <sup>3</sup> | Real estate developer                          | 100% | 100% | 100% |
| Cloverleaf Holdings Corporation (CHC) <sup>3</sup>        | Real estate developer                          | 100% | 100% | 100% |
| Filinvest REIT Corp. (FILRT) <sup>4</sup>                 | Leasing                                        | 63%  | 51%  | 63%  |
| Filinvest Asia Corporation (FAC)                          | Leasing                                        | 60%  | 60%  | 60%  |
| Filinvest Cyberparks, Inc. (FCI)                          | Leasing                                        | 100% | 100% | 100% |
| Filinvest Clark Mimosa, Inc. (FCMI)                       | Leasing                                        | 100% | 100% | 100% |
| Festival Supermall, Inc. (FSI)                            | Property management                            | 100% | 100% | 100% |
| Filinvest Lifemalls Corporation (FLC)                     | Property management                            | 100% | 100% | 100% |
| Filinvest Lifemalls Mimosa, Inc. (FLMI)                   | Property management                            | 100% | 100% | 100% |
| Filinvest Lifemalls Tagaytay, Inc. (FLTI)                 | Property management                            | 100% | 100% | 100% |
| ProOffice Works Services, Inc. (ProOffice)                | Property management                            | 100% | 100% | 100% |
| Property Specialist Resources, Inc. (Prosper)             | Property management                            | 100% | 100% | 100% |
| Co-Living Pro Managers Corp. (CPMC)                       | Property management                            | 100% | 100% | 100% |
| FSM Cinemas, Inc. (FSM Cinemas) <sup>5</sup>              | Theater operator                               | 60%  | 60%  | 60%  |
| Philippine DCS Development Corporation (PDDC)             | District cooling systems, builder and operator | 60%  | 60%  | 60%  |
| Timberland Sports and Nature Club, Inc. (TSNC)            | Recreational Sports and Natures Club           | 98%  | 98%  | 98%  |
| Nature Specialists, Inc. (NSI)                            | Recreational and hospitality business operator | 75%  | 75%  | 75%  |
| Leisurepro, Inc. (Leisurepro)                             | Marketing                                      | 100% | 100% | 100% |
| Proleads Philippines, Inc. (PPI)                          | Marketing                                      | 100% | 100% | 100% |
| Property Leaders International Limited (PLIL)             | Marketing                                      | 100% | 100% | 100% |

(Forward)

| Subsidiaries                                   | Nature of Business | 2025 | 2024 | 2023 |
|------------------------------------------------|--------------------|------|------|------|
| Property Maximizer Professional Corp. (Promax) | Marketing          | 100% | 100% | 100% |
| Realpros Philippines, Inc. (RPI)               | Marketing          | 100% | 100% | 100% |
| FREIT Fund Managers, Inc. (FFMI)               | Fund Manager       | 100% | 100% | 100% |
| OurSpace Solutions, Inc. (OSI) <sup>6</sup>    | Coworking spaces   | 70%  | 70%  | 70%  |

Notes:

1. FBCI is owned indirectly through FCGCC.
2. NPFI and CRC were acquired in 2023 through a share purchase agreement with Rizal Commercial Banking Corporation.
3. CBRM and CHC were acquired in previous years and were accounted for as asset acquisitions and not as business combination. Acquisition cost amounted to ₱80.06 million and ₱39.59 million for CBRM and CHC, respectively.
4. FLI's ownership interest in FILRT was reduced to 51% in 2024 mainly as result of FLI's voluntary tender offer. In 2025, FLI's ownership interest in FILRT increased to 63%, through a tax-free property-for-share swap.
5. FSM Cinemas is owned indirectly through FSI.
6. On August 2, 2023, a Subscription Agreement was executed to issue the 30 million common shares of OSI to KCI, resulting to FLI's 70% ownership in OSI.

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

Detailed discussion of each subsidiary follows:

- FAPI was incorporated on September 25, 2006 to develop the TSNC and Phase 2 of Timberland Heights
- FCGCC was incorporated on February 11, 2016 to undertake the development of the Clark Green City (now New Clark City) Project under the Joint Venture Agreement with Bases Conversion and Development Authority (BCDA). On March 16, 2016, FBCI, a joint venture company with BCDA, was incorporated to handle the aforementioned development. FBCI is 55%-owned by FCGCC and 45%-owned by BCDA. As of December 31, 2024, FCGCC and FBCI had started commercial operations.
- On January 19, 2018, FLI entered into a Share Sale and Purchase Agreement to purchase 100% of the total outstanding shares of GPRDI for a total consideration of ₱1.71 billion. The primary purpose of GPRDI is to hold, purchase, lease, contract otherwise acquire any and all real and personal properties. GPRDI has not started its commercial operations as of December 31, 2023.
- Homepro was incorporated on March 25, 1997 and started commercial operations on January 1, 2004.
- Filinvest REIT Corp. or FILRT (formerly Cyberzone Properties, Inc. or CPI)
  - CPI was incorporated on January 14, 2000 and began commercial operations on May 1, 2001. CPI is registered with the Philippine Economic Zone Authority (PEZA) as an Economic Zone Facilities Enterprise, which entitles CPI to certain tax benefits and non-fiscal incentives such as paying a 5% tax on its modified gross income in lieu of national and local taxes. CPI is also entitled to zero percent value-added tax on sales made to other PEZA-registered enterprises. CPI owns and operates the IT buildings in Northgate Cyberzone, located in a 10-hectare parcel of land within Filinvest City owned by the parent Company, FLI. CPI also leases a parcel of land measuring 2,831 sq.m. located in EDSA on which CPI built a 5-storey BPO building with a total GLA of 7,358 sq.m.
  - On January 20, 2021, FLI announced, through a Philippine Stock Exchange (PSE) disclosure, that its BOD has approved the transition of Cyberzone Properties, Inc. (CPI) into a Real Estate Investment Trust (REIT) company. CPI is intended to be listed on the PSE in compliance with the minimum public ownership requirements under Philippine securities regulations and the Real Estate Investment Trust Act of 2009 and its implementing rules and regulations and under



such terms and conditions as FLI's BOD may subsequently approve.

- On June 25, 2021, the shareholders of CPI, approved the following amendments to its Articles of Incorporation: (i) change of name of the Company from "Cyberzone Properties, Inc." to "Filinvest REIT Corp.", (ii) reduction of the par value of its shares, and (iii) increase of the CPI's authorized capital stock. The change in name of CPI, the reduction in the par value of its shares, and the increase in its authorized capital stock were approved by the Philippine SEC on July 2, 2021.
- On August 12, 2021, Filinvest REIT Corp. ("FILRT") was listed and traded in the Philippine Stock Exchange under the PSE ticker symbol FILRT. As a result of the listing, FLI's interest in FILRT decreased to 63.3%. The transaction was accounted for as an equity transaction since there was no change in control over FILRT. Net proceeds from the public offering amounted to ₱12.13 billion and resulted in additions to retained earnings and noncontrolling interest amounting to ₱10.47 billion and ₱1.66 billion, respectively as of December 31, 2021.
- On December 11, 2024, FLI settled its Capped Voluntary Tender Offer, which was filed on October 2, 2024. FLI has reacquired a total of 1,866,000,000 common shares in exchange for 597,120,000 FILRT common shares. The shareholders were offered 0.32 FILRT shares for every 1.00 FLI shares tended. As a result of the voluntary tender offer, FLI's interest in FILRT decreased to 51.1% and the costs of treasury shares amounted to ₱1.86 billion. As of December 31, 2024, the noncontrolling interest in FILRT represents 48.9%.
- On January 24, 2025, FLI's and FILRT's BOD approved the sale of FLI real property to FILRT under a tax-free property-for-share swap transaction. FLI will transfer its ownership over Festival Mall-Main Mall, located at Filinvest City, Alabang, Muntinlupa City, in favor of FILRT, in exchange for 1,626,003,316 primary common shares of FILRT at an issue price of ₱3.85 per share, with a total value of ₱6.26 billion. The said transaction will allow FLI to increase its equity in FILRT from 51.06% to 63.27%.
- A REIT entity is required to distribute at least 90% of its annual income as dividends to its investors and is allowed to treat the dividend as deduction for tax purposes making it effectively an income tax-free entity.
- As of December 31, 2025 and 2024, FILRT met the provisions of the REIT law and complies with the 90% dividend distribution requirement. FILRT has determined, based on its current tax regime and expected dividend distribution in the succeeding periods, that it can effectively operate on a "no-tax" regime. Accordingly, the Group did not recognize any deferred taxes in 2025 and 2024.
- FAC was incorporated on January 22, 1997 and as at date of this report is 60%-owned by FLI and 40%-owned by Reco Herrra Pte.Ltd. (RHPL). RHPL is 100% beneficially owned by the Government of Singapore Investment Corporation Pte. Ltd (GIC). FAC owns 50% of the 52-storey PBCom Tower, which is strategically located at the corner of Ayala Avenue and V. A. Rufino Streets in the Makati City Central Business District. FAC owns 35,148 sq. m. of leasable office space. The remaining 50% of PBCom Tower is owned by the Philippine Bank of Communications.

The PBCom Tower is registered as an information technology building by PEZA. Consequently, tenants occupying space in PBCom Tower are entitled to avail of certain fiscal incentives, such as a 5% tax on modified gross income in lieu of the national and local taxes, income tax holidays and zero-rated vat in certain cases.

- FCI was incorporated on February 4, 2014. Its primary purpose is to acquire by purchase, lease, donate and/or to own, use, improve, develop, subdivide, sell, mortgage, exchange, hold for investment and deal with real estate of all kinds.

- FCMI was incorporated on January 23, 2017. Its primary purpose is to acquire by purchase, lease except financial leasing, donation or and hold for investment or otherwise deal in real estate of all kinds, nature, purpose and/or any interest or right therein. FCMI started its commercial operations in May 2018. FCMI is registered with Clark Development Corporation (CDC) as a Clark Freeport Enterprise enjoying incentives similar to PEZA such as zero percent VAT on its revenues and 5% income tax on modified gross income, in lieu of local and national taxes.
- FSI is the property manager of Festival Supermall and other commercial centers of the Group. FSI also owns 60% equity interest in FSM Cinemas, Inc. which is engaged in theater operations. The transaction was accounted for using the pooling of interest method wherein the assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts.
- FLC, formerly Whiluc Realty & Mgt., Inc., is organized to invest in, purchase, hold, use, develop, lease, sell, assign, transfer mortgage, enjoy or otherwise dispose of, as may be permitted by law, all properties of every kind, nature and description and wherever situated, of any corporation.
- FLMI was incorporated on January 23, 2017. Its primary purpose is to acquire by purchase, lease except financial leasing, donation, or otherwise, and/or to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, develop and hold for investment or otherwise deal in real estate of all kinds, nature and purpose and/or any interest or right therein. FLMI has not started its commercial operations as of December 31, 2024.
- FLTI was incorporated on November 20, 2017. Its primary purpose is to acquire by purchase, lease (except financial leasing), donation or otherwise, and to own, use, improve, develop, subdivide, sell, mortgage, exchange, lease, develop and hold for investment or otherwise deal in real estate of all kinds in order to develop, conduct, operation, lease, and maintenance of retail and commercial space for rent, restaurants, function halls, amusement centers, movie or cinema theaters within the compound to premises of the shopping centers. FLTI started its commercial operations in March 2018.
- ProOffice was incorporated on March 18, 2019 to engage in the business of administration, maintenance and management of real estate developments and projects. ProOffice started commercial operations in August 2019.
- Prosper was incorporated on June 10, 2002 and started commercial operations on January 01, 2004. Prosper is engaged in the purchase, lease and management of hotel and resort properties, and is currently managing the condotel operations of a high-rise condominium (Grand Cenia) and hotel project (Quest Hotel) of the Parent Company. Prior to Prosper's condotel and hotel management business. Prosper was engaged in the business of real estate marketing.
- FSM Cinemas was incorporated on April 23, 1998 to engage in servicing, booking, and arranging of films, programs, shows, plays, and movies of all kinds, types, makes, and colors for movie houses, theaters, or cinemas and to exhibit, lease, rent, run or operate movie houses, theaters, cinemas, as well as, supply equipment, machines and accessories needed in cinemas, theaters or movie houses.
- On April 15, 2015, FLI and Engie Services Philippines (ENGIE) entered into a joint venture agreement to establish PDDC. On July 31, 2015, PDDC was registered with the SEC to engage in the business of building and operating a district cooling system within existing and future buildings at Northgate Cyberzone Area, Filinvest City, Alabang, Muntinlupa City. PDDC is 60% owned by FLI and 40% owned by ENGIE.
- On July 18, 2018, the SEC approved TSNC's application on voluntary revocation of its secondary registration which allowed TSNC to proceed with the transition to its new business model. On November 15, 2018, the Board of Directors (BOD) approved the amendment to change the

primary purpose of the Club from an exclusive recreational sports club to a for-profit commercial facility. On July 24, 2019, TSNC submitted its Amended Articles of Incorporation to SEC. The amendments include (a) change of the primary purpose of TSNC from that of an exclusive recreational sports club to a real estate development Company; (b) change of TSNC's principal address from No. 173 P. Gomez Street, San Juan, Metro Manila to Timberland Heights, Barangay Malanday, San Mateo Rizal; (c) converting of TSNC's capital stock from no par value club shares to par value shares; (d) removal of provisions which characterizes TSNC as an exclusive nonprofit association; and (e) removal of paragraphs which relate to the operations of an exclusive recreational sports club. On August 1, 2019, the SEC approved TSNC's application for voluntary revocation of its secondary registration. On August 18, 2019, the SEC approved TSNC's Amended Articles of Incorporation.

- Leisurepro was incorporated on April 21, 2004 and started commercial operations on January 1, 2006. The company is inactive since 2010.
- PPI was incorporated on March 29, 2017 to provide management, organizational, and other administrative services and training. PPI started its commercial operations in November 2017.
- PLIL, a company limited by shares, was registered at the territory of the British Virgin Islands on February 7, 2017. PLIL has not started its commercial operations as of December 31, 2022
- Promax was incorporated on October 3, 1997. It is engaged in real estate marketing business and handles the marketing and sale of socialized, affordable, middle income, high-end and farm estate property development projects of FLI.
- RPI was incorporated on August 3, 2017 to provide administrative support services and skills training primarily through the use of information technology, licensed software, and systems. RPI has started its commercial operations in November 2017.
- NSI was incorporated on August 24, 2018 to conduct real estate activities primarily focusing on hotels, inns, resorts, lodging houses and all adjunct accessories thereto, including restaurants, cafes, bars, stores, offices, etc. NSI has opened on March 14, 2021.
- FFMI was incorporated on April 13, 2021 to engage in business of providing fund management services to REIT companies.
- CPMC was incorporated on August 2, 2021 in to engage in business of developing, operating, managing, and maintaining dormitels, lots and buildings whether owned or leased, to make such dormitels available for all clients for temporary stay as well as any and all services and facilities incidental thereto. CPMC has started commercial operations last November 2023.
- OSI was incorporated on May 26, 2022 to engage in developing, operating, managing and maintaining commercial buildings to be used as coworking spaces. On May 22, 2023, OSI issued a resolution authorizing the issuance of additional shares out of its unissued authorized capital stock, pursuant to the provisions of the Joint Venture Agreement entered into by KMC Community, Inc. (KCI) and FLI, for the development and management of flexible workspaces.
- On December 14, 2022, FLI entered into a Deed of Assignment to purchase 100% ownership in SDI. The primary purpose of SDI is to own, use, improve, develop, subdivide, sell, exchange, lease and hold for investment or otherwise, real estate of all kinds, including buildings, houses, apartment and other structures.

## 1.4. Equity Investments in Associates

### Filinvest Business Services Corporation (FBSC) (formerly Corporate Technologies, Inc.)

FBSC was incorporated on September 11, 1998. CTI is primarily involved in information technology service management and business process outsourcing services. Share in net earnings (loss) of FBSC amounted to (P32.97 million) and P1.77 million for the years ended December 31, 2025 and 2024, respectively.

### Pro Excel Property Managers, Inc. (Pro-Excel)

Pro-Excel was incorporated on November 28, 2001. Pro-Excel is engaged in the business of administration, maintenance and management of real estate development, controlled development projects and subdivision project.

On December 26, 2019, FILRT and FCI, wholly owned subsidiaries of the Parent, entered into a Deed of Assignment to sell ownership in Pro-Excel to FAI. The sale resulted to a loss of control in Pro-Excel and deconsolidation by the Group. The remaining ownership of the Parent Company in Pro-Excel is 33%. Subsequently, on December 28, 2022, FAI entered into a Deed of Absolute Sale of Shares to sell portion of its interest in Pro-excel to the Parent Company for a total consideration of P10.97 million. The resulting ownership interest of the Parent Company in Pro-excel after the transfer is 47.5%. Share in net earnings of Pro-Excel amounted to P17.79 million and P13.46 million for the years ended December 31, 2025 and 2024, respectively.

### Filinvest Alabang, Inc. (FAI)

FAI was incorporated on August 25, 1993 and started commercial operations in October 1995. FLI has a 20% equity interest in FAI. FAI's current project is the master-planned development of Filinvest City, a 244-hectare premier satellite city development project which has been designed using modern and state of the art, ecological, urban planning with a mixed-use integrated development with office, retail, residential, institutional, leisure and hospitality projects in southern Metro Manila. Located at the southern end of Metro Manila and adjacent to the South Expressway, Filinvest City is approximately 16 kilometers south of Makati, the central business district in Manila and 10 kilometers from the Ninoy Aquino International Airport. Filinvest City is surrounded by over 2,800 hectares of developed high-end and middle-income residential subdivisions and commercial developments. The said project is under a joint venture agreement with the Government. For the years ended December 31, 2025 and 2024, share in net earnings of FAI amounted to P506.40 million and P311.7 million, respectively.

### Filinvest Mimosa, Inc. (FMI)

FMI was incorporated on March 31, 2016 and started commercial operations in June 2016. FLI has a 47.5% equity interest in FMI. FMI entered into a long-term lease of the Mimosa Leisure Estate after it bagged the rights to lease, develop and operate the 202-hectare estate development. FMI subleases to FCMI the development of residential, office, retail and co-living leasing segments of the Estate while another affiliate MCI, sub-leases the leisure, hospitality segments of the estate. For the years ended December 31, 2025 and 2024, share in net earnings of FMI amounted to P7.49 million and P2.60 million, respectively.

### Dreambuilders Pro Inc. (DPI)

DPI was incorporated on January 11, 2017 to engage in and carry on a general construction business. DPI started its commercial operations in February 2017. DPI was deconsolidated from the Group and became associate effective December 17, 2020. For the years ended December 31, 2025 and 2024, share in net earnings of DPI amounted to P9.09 million and P1.17 million, respectively.

### SharePro Inc. (SPI)

SPI was incorporated and operating in the Philippines and handles the technical and project management services for the Group. In December 2021, the Parent Company subscribed for 45.0% of SPI's capital stock amounting to P11.25 million. Share in net earnings of SPI amounted to P21.28 million and P28.38 million for the years ended December 31, 2025 and 2024, respectively.

## **1.5. Business Groups, Product Categories, Target Markets and Revenue Contribution**

FLI is now composed of two business segments with corresponding product categories, target markets and revenue contributions as follows:

The two main line of business are the (1) real estate sales and (2) recurring income business which covers the leasing of offices, retail malls, industrial spaces, and dormitel and hotel operations.

### **1.5.1 Real Estate Sales Segment**

FLI's main real estate activity since it started operations has been the development and sale of residential property, primarily housing units and subdivision lots; in certain cases, provision of financing for unit sales.

#### **Residential Projects**

FLI is able to tap the entire residential market spectrum with the following range of housing units catering to various income segments:

*Socialized housing:* These developments are marketed and sold under FLI's Pabahay brand and consist of projects where lots typically sell for ₱160,000 or less per lot and housing units typically sell for ₱580,000 or less per unit. Buyers for these projects are eligible to obtain financing from the Government-mandated PAGIBIG Fund. Maximum sale prices for FLI's specialized housing products do not exceed the Government-mandated ceiling of ₱580,000 per unit. Any income realized from the development and improvement of socialized housing sites are exempt from taxation. In October 2023, the price limit for socialized housing was increased to ₱850,000.

*Affordable housing:* These developments are marketed and sold under FLI's Futura Homes brand and consist of projects where lots are typically sold at prices ranging from above ₱160,000 to ₱750,000 and housing units from above ₱850,000 to ₱2,500,000. FLI designs and constructs homes in this sector with the capacity and structural strength to give the owner the option to place an additional storey, which can double the available floor area. Affordable housing projects are typically located in provinces bordering Metro Manila, including Bulacan, Laguna, Batangas and Cavite, and in key regional cities and provinces such as Tarlac, Cebu, Davao, Palawan, Bacolod and Koronadal. Construction of a house in this sector is usually completed approximately six months from the completion of the required down payment.

*Middle-income housing:* These developments are marketed and sold under FLI's Aspire brand and consist of projects where lots are typically sold at prices ranging from above ₱750,000 to ₱1,200,000 and housing units from above ₱2,500,000 to ₱4,000,000. Middle-income projects are typically located within Metro Manila, nearby provinces such as Rizal, Cavite, Pampanga and Laguna, and major regional urban centers in Cebu, Davao, and Zamboanga.

*High-end housing:* Marketed under Filinvest Prestige brand, these developments consist of projects where lots are sold at prices above ₱1,200,000 and housing units for above ₱4,000,000. FLI's high-end projects are located both within Metro Manila and in areas immediately outside Metro Manila.

#### **Other Real Estate Projects**

In order to achieve product and revenue diversification, FLI has added the following projects so as to cater to other market niches:

##### **a. Townships**

Townships are master-planned communities to include areas reserved for the construction of anchor facilities and amenities. FLI believes that these facilities and amenities will help attract buyers to the

project and will serve as the nexus for the township's community. Anchor developments could include schools, hospitals, churches, commercial centers, police stations, health centers and some other government offices.

### ***Filinvest at New Clark City***

This 288-hectare property will be transformed into a vibrant mixed-use master planned metropolis that is in harmony with its natural setting. The BCDA, FLI's partner in the development, has completed the construction of the SCTEX-NCC Road and is now completing the Airport-NCC Road that will directly connect the project to the Clark Freeport Zone. New Clark City will be built around four pillars: world center, multi-gen metropolis, eco-efficient capital and strategic base – the cohesive foundation of a globally-competitive city. It will be shaped around the existing terrain, with meandering waterways and a Loop Park to connect its various pedestrian-friendly districts. Green path walks, bike lanes, e-transport systems and other innovative features are expected to set the benchmark for this pioneering development in the Philippines. The development will have 100 hectares of industrial park area, over 100 hectares of mixed-use commercial office, retail and residential developments, all interspersed with over 80 hectares of greens and open spaces. Ready-built-factory(RBF) buildings are already fully leased out and there is ongoing construction of additional RBF buildings for new locators.

### ***Filinvest Mimosa+ Leisure City***

As the winning bidder in the privatization of the Mimosa estate in Pampanga, Filinvest is currently developing the 201-hectare property under Filinvest Mimosa, Inc., a new company formed by the consortium of FLI and FDC. FLI will handle the retail, office and residential components through its subsidiary FCMI, while FDC will undertake the hospitality, leisure and gaming segments, through its subsidiary Mimosa Cityscapes, Inc. (MCI). Envisioned to be a top-of-mind, year-round business and leisure destination, the sprawling Filinvest Mimosa+ Leisure City is being transformed into a vibrant and green central township that is home to various industries such as BPO, hospitality, retail, real estate, golf and gaming. Its location in Clark Freeport Zone allows FLI to take advantage of the growing interest of tourists and investors in the progressing Clark City. In addition to the renowned golf course, its components include a lifestyle and retail strip, a pavilion and grounds for events and an office campus called Workplus. This business hub will be composed of eight mid-rise buildings with fiber-optic facilities, podium parking and ground retail area. Also part of the design is a lovely promenade that will connect all buildings and serve as a place for employees to enjoy the serene outdoor environment of Mimosa. To complement the business and commercial district, the Quest Hotel and Conference Center Clark will be joined by a residential area of mid- to high-rise buildings for investment or end-use and the co-living/dormitel component (The Crib). The existing green resort environment will be further enhanced with parks, walking paths and bike trails to encourage wellness through nature and outdoor activities.

### ***Ciudad de Calamba***

Ciudad de Calamba is a 350-hectare development located in Calamba, Laguna. This township project is anchored by the Filinvest Technology Park-Calamba which is a PEZA-registered special economic zone. Ciudad de Calamba provides both industrial-size lots and ready-built factories to domestic and foreign enterprises engaged in light to medium non-polluting industries. FLI also donated to the city government of Calamba a parcel of land located within the Ciudad de Calamba, which will be used for a city health center and police station. FLI also intends to develop the Ciudad de Calamba Commercial Center as part of this township project.

### ***Havila***

Havila, or formerly, Filinvest East County is a 335-hectare township along the eastern edge of Metro Manila, which traverses the municipalities of Taytay, Antipolo and Angono. It is anchored by two educational institutions: San Beda College – Rizal and the Rosehill School. The master plan for Havila provides for a mix of affordable, middle-income and high-end subdivisions on rolling terrain overlooking Metro Manila at an elevation of 200 meters above sea level.

### ***Timberland Heights***

Timberland Heights is a 677-hectare township project anchored by the Timberland Sports and Nature Club. It is located in the municipality of San Mateo, which is just across the Marikina River from Quezon City, and has been designed to provide residents with leisure facilities and resort amenities while being located near malls, hospitals and educational institutions located in Quezon City.

### ***City di Mare***

Inspired by the world's best-loved coastal cities, City di Mare, or "City by the Sea", spans across 50.6 hectares at Cebu's South Road Properties.

It is a master-planned development composed of different zones catering to a wide array of lifestyles and activities - Il Corso, the 10.6-hectare waterfront lifestyle strip; the 40-hectare residential clusters; and The Piazza, nestled at the heart of the residential enclaves puts lifestyle essentials such as school, church, shops, and restaurants within the neighborhood. City di Mare is envisioned to be a destination in itself, taking full advantage of the coastal ambience featuring seaside shopping, dining, beach and water sports and more, right by the water's edge.

The 10.6-hectare retail development known as Il Corso shall have a gross leasable area of approximately 32,000 square meters. City di Mare has four resort-themed residential enclaves inspired by world-class resorts, with each 10-hectare development flaunting a distinct architectural character. With over 65% of the property allocated for wide, open areas and landscaped greens, City di Mare provides the generous amenity of breathing space and a refreshing dose of nature throughout the site. Residences are spread out over the sprawling development, maximizing the abundant sunlight and allowing the invigorating sea air to circulate freely.

In July 2015, FLI, Filinvest REIT Corp. ("FILRT") and Filinvest Alabang, Inc. ("FAI") (collectively referred to as "Filinvest Consortium") won the bidding for a 19.20-hectare lot in Cebu's South Road Properties (SRP). This property is referred to as SRP 2.

### ***Wood Estates***

A 94-hectare township located in Trece Martires, Cavite with easy access to schools, shopping centers and transportation hubs.

### ***Iloilo Centrale***

Iloilo Centrale is an 11.4-hectare mixed-use development in Leganes, Iloilo City where the highly anticipated Panay-Guimaras bridge will be located. Blending modern urban living with Iloilo's timeless heritage and charm, Iloilo Centrale will be a vibrant community offering residential, commercial, retail, and recreational spaces, as well as a transport hub.

#### **b. Leisure projects**

FLI's leisure projects consist of its residential farm estate developments and residential resort development.

##### ***1. Residential farm estates***

FLI's residential farm estate projects serve as alternative primary homes near Metro Manila to customers, such as retirees and farming enthusiasts. Customers can purchase lots (with a minimum lot size of 750 square meters) on which they are allowed to build a residential unit (using up to 25.0% of the total lot area). The remaining lot area can be used for small-scale farm development, such as fish farming or vegetable farming. Residential farm estates are sold on a lot-only basis, with buyers being responsible

for the construction of residential units on their lots. To help attract buyers, FLI personnel are available on site to provide buyers with technical advice on farming as well as to maintain demonstration farms.

At present, FLI has three residential farm estates:

*Nusa Dua Farm Estate (“Nusa Dua”)* located in Cavite province just south of Metro Manila. The amenities at the Nusa Dua development include a two-storey clubhouse and a 370 square meter swimming pool.

*Mandala Residential Farm Estate (“Mandala”)* located in Rizal province as part of the FLI’s Timberland Heights township project. It offers hobby farmers generous lot cuts and Asian-inspired homes that complement the mountain lifestyle.

*Forest Farms Residential Farm Estate (“Forest Farms”)* located in Rizal province as part of Company’s Havila township project. It is an exclusive mountain retreat and nature park, nestled between the hills of Antipolo and forested area of Angono.

## *2. Residential resort development*

*Kembali Coast* on Samal Island, Davao is a beachfront residential resort development. This 50-hectare Asian-Balinese inspired island getaway offers low-density exclusivity and comes with a 1.8 km beach line that offers unobstructed view of the sea.

*Laeuna de Taal (“Laeuna”)* is located in Talisay Batangas with a view of the Taal lake and a lakeside residential community, about a ten-minute drive from the popular tourist destination of Tagaytay. Laeuna is an Asian Tropical-inspired community which offers three (3) residential enclaves (Arista, Bahia and Orilla) with a range of property choices for every family. Located on the water front is the Lake Club, a lakeside amenity designed for wellness, recreation and celebration.



### c. Medium Rise Buildings

Medium Rise Buildings (MRB) projects are five-storey to ten-storey buildings clustered around a central amenity area. The buildings occupy 30% to 35% of the land area, providing a lot of open spaces. FLI currently has the following MRB projects:

| Project Name               | Location                | Project Name             | Location                       |
|----------------------------|-------------------------|--------------------------|--------------------------------|
| <b>Metro Manila/ Luzon</b> |                         | <b>Visayas</b>           |                                |
| Asiana Oasis               | Paranaque City          | Amalfi Oasis             | City di Mare, Cebu             |
| Bali Oasis                 | Pasig City              | Marina Spatial           | Dumaguete                      |
| Bali Oasis 2               | Pasig City              | One Oasis Cebu           | Mabolo, Cebu City              |
| Capri Oasis                | Pasig City              | One Spatial Iloilo       | Iloilo                         |
| Fora                       | Tagaytay                | San Remo Oasis           | City di Mare, Cebu             |
| Fortune Hill               | San Juan City           |                          |                                |
| Futura East                | Cainta, Rizal           | <b>Mindanao</b>          |                                |
| Maui Oasis                 | Sta. Mesa, Manila       | Centro Spatial           | Davao City                     |
| One Oasis Ortigas          | Pasig City              | Eight Spatial            | Maa, Davao                     |
| One Spatial                | Pasig City              | One Oasis Cagayan de Oro | Cagayan de Oro                 |
| Panglao Oasis              | Taguig                  | One Oasis Davao          | Davao City                     |
| Sorrento Oasis             | Pasig City              | Veranda Resort Condos    | Davao                          |
| The Signature              | Balintawak, Quezon City | Maldives Oasis           | Davao                          |
| Verde Spatial              | Quezon City             | Futura Vinta             | Zamboanga                      |
| Alta Spatial               | Valenzuela City         | Futura Bay               | General Santos, South Cotabato |
| Centro Spatial             | Manila                  |                          |                                |
| Belize Oasis               | Muntinlupa              |                          |                                |
| Futura Centro              | Sta. Mesa, Manila       |                          |                                |
| Sydney Oasis               | Bacoor, Cavite          |                          |                                |
| Futura Monte               | Naga City               |                          |                                |

### d. High Rise Buildings

#### The Linear

The Linear, a master-planned residential and commercial hub in Makati City. Two-L-shaped towers, each 24-storeys high, comprise this dynamic condominium community that perfectly caters to the needs of young urban professionals.

#### Studio City

Studio City is a community composed of five-tower residential condominium complex within the Filinvest City to serve the demand for housing of the growing number of professionals working within Filinvest City and in the nearby Madrigal Business Park.

Since it is located within the Filinvest City, residents will enjoy proximity to Festival Supermall, Westgate Center, Northgate Cyberzone, Asian Hospital and Medical Center, and other commercial, educational and medical institutions. The development consists of 18-storeys per building with commercial units at the ground floor. All residential floors will have 25 studio units per floor .

#### The Levels

Located at one of the highest points of Filinvest City at around 23 meters above sea level, The Levels is a one-block, four-tower residential condominium development that features laidback suburban living inside a fast-paced business district. The residential development is set in a tropical landscape, with four

towers uniquely designed with terracing levels, giving it a castle-effect look. The high-rise sections will be set in lush greenery, providing residents with views of the gardens. The second tower has just been launched.

#### Vinia Residences

Vinia is a 25-storey condominium development located along EDSA in Quezon City, right across TriNoma and just steps away from the MRT-North Avenue station. With its coveted location, it offers a world of ease and convenience to yuppies and families looking for quality homes, as well as budding entrepreneurs who want to start a home-based business at the heart of the city.

#### Studio Zen

Studio Zen is a 21-storey condominium development located along Taft Avenue in Metro Manila. Student-oriented amenities, Zen-inspired features, and functional building facilities makes it an ideal residence for students living independently and a great investment opportunity for entrepreneurs who want to take advantage of the ready rental market in the area.

#### Studio A

Studio A is a single tower 34-storey hi-rise residential condominium located in Loyola Heights in Quezon City. A community conveniently situated near premier universities, the LRT 2 line and other commercial establishments.

#### 100 West

100 West is a single tower 38-storey high-rise commercial and residential condominium with office spaces located in Gen. Gil Puyat Avenue corner Washington St. in Makati City. 100 West is in the Makati Business District and accessible to both north and south of Metro Manila.

#### Studio 7

Studio 7 is a mixed-use development that will have office and residential towers complemented with retail outlets, located in Quezon City along EDSA very close to the GMA-Kamuning MRT station. Studio 7 will have studios as well as one-bedroom residential units.

#### Activa

Activa is a mixed-use development with residential, office, retail and hotel components. It is entrenched in the heart of Quezon City's busiest and liveliest district, Cubao. Situated at the crossroads of two of the metro's most vital thoroughfares. Activa connects to the north and south via EDSA, and to the east and west via Aurora Boulevard. It also has direct access to the MRT and LRT lines, and accessible by various modes of transportation like buses and jeepneys.

#### Studio N

Studio N is a 25-Storey development and is the latest addition to the studio series portfolio of Filinvest. This is located at the main business hub of Filinvest City. This is currently under construction.

### **Analysis of Real Estate Sales**

The table below shows a comparative breakdown of FLI's journalized real estate sales by product categories for the years ended December 31, 2025 and 2024 (in Thousands).

| Category                      | Years ended December 31 |               |                    |               |
|-------------------------------|-------------------------|---------------|--------------------|---------------|
|                               | 2025                    |               | 2024               |               |
|                               | Amount                  | % to total    | Amount             | % to total    |
| Medium income                 | P11,345,218             | 69.7%         | P11,336,019        | 73.6%         |
| Low affordable and affordable | 2,763,988               | 17.0%         | 1,863,213          | 12.1%         |
| High-End and Others           | 1,498,974               | 9.2%          | 1,524,605          | 9.9%          |
| Socialized                    | 665,835                 | 4.1%          | 668,924            | 4.4%          |
| <b>Total</b>                  | <b>P16,274,015</b>      | <b>100.0%</b> | <b>P15,392,761</b> | <b>100.0%</b> |

### Analysis of Cost of Sales

The table below shows a comparative breakdown of FLI's journalized cost of sales into various categories for the years ended December 31, 2025, 2024 and 2023 (in thousands):

|                                        | 2025              | 2024       | 2023       |
|----------------------------------------|-------------------|------------|------------|
| Land acquisition cost                  | <b>₱1,179,187</b> | ₱997,010   | ₱1,067,847 |
| Land development and construction cost | <b>6,508,709</b>  | 6,357,888  | 7,033,638  |
|                                        | <b>₱7,687,896</b> | ₱7,354,898 | ₱8,101,485 |

### 1.5.2. Recurring business segment

#### Leasing of properties

FLI's investment properties are mainly categorized as retail and office segments. The Group has also started investments in new leasing formats - dormitels (co-living) and industrial parks.

#### Commercial Retail Leasing Properties

##### *Festival Mall Alabang*

The landmark project, Festival Supermall, carries on its position as the prime destination for recreation and retail in southern Metro Manila. With more 'firsts' on its offerings and a better shopping ambiance, the mall has elevated the retail experience in the south. It is one of the country's largest shopping malls with more than 1,000 shops.

Major improvements have been undertaken and continue to be undertaken for the existing mall and its facilities. New interiors give the mall a refreshed look and modern ambiance, complementing the recently completed 46,000 sq.m. expansion wing. Decathlon, a French sporting goods retailer, opened a 5,000 sq.m. store in the original mall. New lifestyle and food tenants continue to open in the expansion wing.

The introduction of new and unique food establishments has made Festival a gastronomic destination ushering in new traffic and strengthening its appeal to its core target market. The Water Garden, a new distinctly refreshing outdoor amenity and convergence zone in the expansion wing, continues to be favorite among mall patrons. Uniqlo opened its first ever roadside store in the country in Westgate, Festival's affiliated lifestyle development in Filinvest City.

##### *Fora Mall*

Conveniently located right by Tagaytay Rotunda is Fora Mall, the first regional mall in the area. This prime retail destination provides about 26,000 sq. m of leasable space amidst nature, open spaces, and a beautifully-landscaped amphitheater. It primarily serves the local market and Tagaytay bound tourists. A number of local and popular food concepts, along with national brands, have opened in the mall. The mall also has four (4) digital cinemas which have become the go to place for Tagaytay City and surrounding towns for recreation.

##### *Main Square*

With a smaller format of over 18,000 sq. m leasable area, Main Square is the first and only mall along Bacoor Blvd, close to Bacoor City Hall and fronting Princeton Heights. Positioned as the reliable one-stop hub for neighboring gated villages of Bacoor, it provides basic shopping, wellness, service and convenience offerings from partner brands such as Anytime Fitness, Watson's, Ace Hardware and Japan Home. The mall's anchor for this development is Robinsons Supermarket, which has become the most convenient essentials shopping option in the area. The City of Bacoor has also opened its satellite offices in Main Square.

### *Il Corso*

Il Corso is a retail development with an estimated 34,000 sq. m of leasable area in the City di Mare estate development of Filinvest in the South Reclamation Area of Cebu City. Its opened restaurants facing the sea have become destinations in the southern edge of Cebu City. The cinema has also opened. A 10,000 sq.m. portion of the mall is being reconfigured to accommodate Business Process Outsourcing companies.

*Marinatown Dumaguete* is a mixed-use development with residential, office and retail components located in the Dumaguete Bay.

### *Mimosa Lifestyle Mall*

Located within Clark Mimosa+ Leisure City in Pampanga, this mall is under construction and will include a dining area with tree canopies and retail pavilions. this will be F&B focused with outdoor dining areas.

### **Commercial Office Properties**

As of December 31, 2025, the Company owns commercial office spaces for lease to several BPO and other office locators with total gross leasable space of 694,077 sq.m. Primarily, these are located in Northgate Cyberzone in Filinvest City, Alabang, Muntinlupa. Northgate is an 18.4-hectare IT-BPO campus-style hub accredited by the Philippine Economic Zone Authority (PEZA) that enjoys developer incentives. Among the Company's portfolio is the PBCom tower where FLI owns 60.0% through FAC, which owns 50.0% of the 52-storey PBCom Tower in the Makati CBD. PBCom Tower is a Grade A, PEZA-registered, IT/office building located along Ayala Avenue, Makati City with a GLA of 35,148 sq.m.

The Company also owns several completed office developments, in Bay City, Pasay, at EDSA, Mandaluyong near Ortigas MRT station, at Gil Puyat, Makati City, at Clark Mimosa and at Cyberzone Cebu IT Park. A summary of the GLA is set forth below:

| Location                               | Number of Buildings | GLA (sq. m.)   |
|----------------------------------------|---------------------|----------------|
| Northgate Cyberzone, Filinvest City    | 20                  | 366,895        |
| Metro Manila outside of Filinvest City | 10                  | 210,396        |
| Outside Metro Manila                   | 10                  | 143,023        |
| <b>Total</b>                           | <b>40</b>           | <b>720,314</b> |

Overall occupancy rate of the office developments as of December 31, 2025 is at 60%.

The office buildings of Filinvest are mainly located in business parks or in mixed-used complexes highly accessible to public transport. The Company believes its business park model, wherein the Company builds on areas specifically suited for business and industrial establishments supported, in certain cases, by incentives from the Government, gives it a competitive advantage as business parks are the preferred site of major BPO tenants. Being located in a major business park allows the tenants assurance of expansion options within close proximity thereby giving the Company an advantage over stand-alone developments.

- Northgate Cyberzone, an 18.7-hectare, PEZA-registered IT park located in Filinvest City in Alabang. The office buildings of the Company sit within the ten (10) hectare parcel of land in the Northgate district owned by FLI.
- Mimosa Workplus, an office campus type environment that is comprised of eight (8) buildings set amidst the lush natural environment of the Filinvest Mimosa+ Leisure City.
- Cyberzone Cebu and Filinvest IT Park are two (2) distinct developments on two (2) separate BTO arrangements with the Cebu Province having land area of 1.2 hectares and 2.9 hectares respectively. The said properties are in close proximity to the city center located along Salinas

Avenue and Banilad, in Cebu City. Together they comprise seven office towers, a mall and a hotel development. The office and mall portions are pre-certified LEED Gold rating.

- Activa is a 1.37-hectare mixed use development at the corner of EDSA and Aurora Boulevard and lies in close proximity to the Cubao LRT and Cubao MRT Stations. The development will have the following: BPO office tower, a traditional office tower, residential tower, retail mall, and lease accommodation or WFH studios for lease. The designs for the BPO office and mall portions are pre-certified with LEED Gold rating.
- Studio 7 is a two (2)-tower mixed-use complex comprising of residential and office buildings on a retail and parking podium. Located along major thoroughfare EDSA in Quezon City, it is strategically located close to the GMA Kamuning Metro Rail Transit 3 Station and is a pre-certified LEED Silver rating.
- Filinvest Cyberzone Bay City is a four (4)-tower office complex in the bustling section of the Bay Area. The complex is also certified LEED Silver rating.
- Filinvest Buendia, a prime office address at the heart of Makati City, is a 14-storey development that complements the vibrant and fast-paced lifestyle of urbanites by offering state-of-the-art leasable office and retail spaces. As of September 30, 2024, it is fully leased out by the Philippine Department of Trade and Industry (DTI).

#### *Ongoing Construction*

- Activa is a 1.37-hectare mixed use development at the corner of EDSA and Aurora Boulevard and lies in close proximity to the Cubao LRT and Cubao MRT Stations. The development will have residential as well as a retail mall.
- Columna located in Manila City

#### **New Leasing Formats**

- Co-living units or Dormitels: The Crib Clark located in the Clark Mimosa Leisure estate serves as temporary living accommodations for employees within the Clark Economic Zone. Four buildings have been completed and fully leased out.
- Industrial Parks: Filinvest Innovation Parks in Filinvest New Clark City and Ciudad de Calamba targets industrial locators who will lease land or ready built factory buildings.
- Co-working spaces: Management of co-working spaces in a joint venture with KMC Community which will be located in Filinvest office buildings. One branch is currently operating and another was launched in 2025.

The Group will continue to carry out intensive marketing campaigns so to maintain high occupancy rates in its investment properties to maximize leasing revenues.

The table below shows a breakdown of FLI's recorded gross leasing related revenues for the years ended December 31, 2025 and 2024 (amounts in Thousands of Pesos, except percentages).

|                     | Years ended December 31 |               |                   |            |
|---------------------|-------------------------|---------------|-------------------|------------|
|                     | 2025                    |               | 2024              |            |
|                     | Amount                  | % to total    | Amount            | % to total |
| Office              | <b>₱4,844,616</b>       | <b>58.7%</b>  | <b>₱4,809,721</b> | 61.3%      |
| Retail / Commercial | <b>3,402,404</b>        | <b>41.3%</b>  | 3,038,372         | 38.7%      |
| <b>Total</b>        | <b>₱8,247,020</b>       | <b>100.0%</b> | <b>₱7,848,093</b> | 100.0%     |

## **Hospitality business operations**

FLI created the ff projects which operate under the hospitality business. However, the totality of these operations is not significant to be classified as a separate segment. The results of operations of the following are just classified under the recurring or leasing business:

- Grand Cenia located within the Cebu Business District
- Fora located right beside the Fora Mall at the center of Tagaytay City
- Timberland located in Rizal

## **1.6. Marketing and Sales**

### **1.6.1 Real Estate Sales Segment**

FLI develops customer awareness through marketing and promotion efforts and referrals from satisfied customers. FLI has a real estate marketing team, a network of sales offices located in the Philippines and tie-ups with independent brokers/marketing partners in other countries such as Europe, Hongkong, the Middle East, Japan, and Singapore. FLI's marketing personnel, together with in-house sales agents and accredited agents, gather demographic and market information to help assess the feasibility of new developments and to assist in future marketing efforts for such developments.

FLI conducts advertising and promotional campaigns principally through print and broadcast media, including billboards, fliers, and brochures designed specifically for the target market. Advertising and promotional campaigns are conceptualized and conducted by FLI's marketing personnel and by third-party advertising companies. These campaigns are complemented with additional advertising efforts, including booths at shopping centers, such as Festival Supermall, and other high traffic areas, to promote open houses and other events.

FLI also believes that the OFW population, as well as expatriate Filipinos, constitute a significant portion of the demand for affordable and middle-income housing either directly or indirectly by remitting funds to family members in the Philippines to purchase property. To this end, FLI has appointed and accredited independent brokers in countries and regions with large concentrations of OFWs and expatriate Filipinos, such as Italy, Japan, Singapore, Hongkong, the United Kingdom and the Middle East. These brokers act as FLI's marketing and promotion agents in these territories to FLI and its products. FLI also sponsors road shows in countries to promote its projects, targeting potential buyers, especially the OFW and Filipino expatriate markets. FLI also markets its properties using the Internet or via Digital marketing platforms.

Sales for FLI's housing and land development projects are made through both in-house sales agents and independent brokers. Both FLI's in-house sales agents and independent brokers are compensated through commissions on sales. In-house sales agents also receive a monthly allowance and are provided administrative support by FLI, including office space and expense allowances.

In addition to in-house sales agents and independent brokers, FLI also employs representatives who staff its sales offices and provide customers with information about FLI's products, including financing and technical development characteristics. FLI also assigns each project a sales and operations coordinator who will provide customers with assistance from the moment they make their sales reservation, during the process of obtaining financing, and through the steps of establishing title on their new home. FLI also has personnel who can advise customers on financing options, collecting necessary documentation and applying for a loan. FLI also helps design down payment plans for its low-cost housing customers that are tailored to each customer's economic situation. Further, once a house is sold and delivered, FLI has customer service personnel who are available to respond to technical questions or problems that may occur after delivery of the property.

### **1.6.2 Leasing Segment**

Various professional, multinational commercial real estate leasing agents (including, but not limited to Jones Lang LaSalle, Santos Knight Frank, Colliers, CB Richard Ellis and Leechiu Property Consultants) are accredited to find tenants for its office space. These brokers work on a non-exclusive basis and earn commissions based on the term of the lease except for the Filinvest Cebu Cyberzone buildings located in IT Park Metro Cebu City wherein Santos Knight Frank is the exclusive leasing agent but also earns commission base on the term of the lease.

FLI also maintains, through its subsidiaries, an in-house leasing team to do marketing and administration of its office & commercial spaces.

### **1.7. Customer Financing for Real Estate Projects**

The ability of customers to obtain financing for purchases of subdivision lots or housing units is a critical element in the success of FLI's housing and land development business. Customer financing is particularly important in relation to sales of FLI's socialized housing projects, where most prospective buyers require financing for up to 100% of the purchase price. FLI therefore assists qualified homebuyers in obtaining mortgage financing from government-sponsored mortgage lenders, particularly for its socialized housing projects, and from commercial banks. FLI also provides a significant amount of in-house financing to qualified buyers.

#### ***In-house financing***

FLI offers in-house financing to buyers who chose not to avail of Government or bank financing. FLI typically finances 80% of the total purchase price, which is secured primarily by a first mortgage over the property sold. The loans are then repaid through equal monthly installments over periods mostly from 5 to 10 years. The interest rates charged by FLI for in-house financing typically range from 11.5% per annum to 19.0% per annum, depending on the term of the loan.

#### ***PAG-IBIG Fund***

A substantial number of buyers of the FLI's socialized housing units finance their purchases through the Home Development Mutual Fund, or PAGIBIG Fund. To provide a liquidity mechanism to private developers, the PAGIBIG Fund has instituted a take-out mechanism for conditional sales, installment contract receivables and mortgages and repurchases of receivables from housing loans of its members.

#### ***National Home Mortgage Finance Corporation (NHMFC)***

This is the government's primary secondary mortgage institution. It also offers financing for homebuyers

#### ***Mortgage loans***

Mortgage loans from commercial banks are usually available to individuals who meet the credit risk criteria set by each bank and who are able to comply with each bank's documentary requirements. In addition to taking security over the property, a bank may also seek repayment guarantees from the Philippine Guarantee Corporation (PhilGuarantee). To assist prospective buyers, obtain mortgage financing from commercial banks, FLI also has arrangements with several banks to assist qualified customers to obtain financing for housing unit purchases.

### ***Deferred cash purchases***

In addition to the aforementioned financing arrangements, FLI has offered so-called “deferred cash” purchases, particularly for its high-end and leisure developments. Under this arrangement, the entire purchase price is amortized in equal installments over a fixed period, which is typically 24 months. Title to the property passes to the buyer only when the contract price is paid in full or when the buyer executes a real estate mortgage in favor of FLI which can be annotated on the title to the property.

### **1.8. Real Estate Development**

FLI’s real estate development activities principally include the purchase of undeveloped land or entering into joint venture agreements covering undeveloped land, the development of such land into residential subdivisions or other types of development projects, the sale of lots, the construction and sale of housing units and the provision of financing for some sales. Some projects are also developed through long-term land leases.

FLI plans to continue initiatives to further integrate its operations. FLI has established in 2017 a separate construction company (Dreambuilders Pro, Inc.) to undertake construction of specific projects and products, such as MRBs, to improve its cost competitiveness. Moreover, FLI has embarked on targeted digitalization processes, such as the use of building information modeling for design, as well as the acquisition and implementation of other software for bidding and project management, all in an effort to improve both cost and process efficiencies. Online platforms are continuously being developed and enhanced to ensure efficient touchpoints to its business partners such as customers, contractors, sellers and brokers. FLI also has separate property management teams with digital customer service applications to focus on monitoring and delivering the services to its clients.

Some development and construction work are contracted out to a number of qualified independent contractors on the basis of either competitive bidding or the experience FLI had with a contractor on prior project. FLI weighs each contractor’s experience, financial capability, resources and track record of adhering to quality, cost and time of completion commitments.

FLI maintains relationships with over 100 independent contractors and deals with them on an arm’s length basis.

FLI does not enter into long-term arrangements with contractors. Construction contracts typically cover the provision of contractor’s services in relation to a particular project or phase of a project. Progress payments are made to contractors during the course of a project development upon the accomplishment of pre-determined project performance milestones. Generally, FLI retains 10% of each progress payment in the form of a guarantee bond or cash retention for up to one year from the date the contracted work is completed and accepted by FLI to meet contingency costs.

FLI is not and does not expect to be dependent upon one or a limited number of suppliers or contractors. Its agreements with its contractors are in the nature of supply of labor and materials for the development and/or construction of its various real estate projects.



## **1.9. Competition**

### **1.9.1. Real Estate Sales Segment**

Real estate development and selling are very competitive. FLI believes it is strongly positioned in the affordable to middle-income residential market segments. Success in these market segments depends on acquiring well-located land at attractive prices often in anticipation of the direction of urban growth.

FLI believes that the name and reputation it has built in the Philippine property market contributes to its competitive edge over the other market players. On the basis of publicly available information and its own market knowledge, FLI's management believes that it is among the leading housing and land / project developers in the Philippines. FLI's management also believes that FLI is able to offer competitive commissions and incentives for brokers, and that FLI is able to compete on the basis of the pricing of its products, offering a wider range of product types for different market sectors. Its brand name and its track record of successfully completing quality projects also give credibility to our products.

FLI directly competes with other major real estate companies positioned either as a full range developer or with subsidiary companies focused on a specific market segment and geographic coverage. Its direct competitors include Ayala Land Inc., Vista Land, Robinsons Land, SMPHI and DMCI Homes.

FLI faces significant competition in the Philippine property development market including land acquisition. This is particularly true for land located in Metro Manila and its surrounding areas, as well as in urbanized areas throughout the Philippines.

FLI's continued growth also depends in large part on its ability either to acquire quality land at attractive prices or to enter into joint venture agreements with land-owning partners under terms that can yield reasonable returns. Based on FLI's current development plans, FLI believes that it has sufficient land reserves for property developments for the next several years. If the Philippine economy continues to grow and if demand for residential properties remains relatively strong, FLI expects that competition among developers for land reserves that are suitable for property development (whether through acquisitions or joint venture agreements) will intensify and that land acquisition costs, and its cost of sales, will increase as a result.

### **1.9.2. Leasing Segment**

With regards to the Group's assets dedicated to office space leasing and shopping mall operations, the Group competes with property companies such as Ayala Land Inc., Robinsons Land Corp. and SM Prime Holdings in retail space leasing. In office space leasing, particularly to call centers and other BPO operators, the Group competes with companies such as Robinsons Land, Inc., Ayala Land, Inc., Eton Corporation, SM Prime, and Megaworld Corporation.

## **1.10. Related-Party Transactions**

The Group is a member of the Filinvest Group. The FLI and its subsidiaries, in their ordinary course of business, engage in transactions with FDC and its subsidiaries. The Group's policy with respect to related-party transactions is to ensure that these transactions are entered into on terms comparable to those available from unrelated third parties.

Significant related party transactions for the year ended 31 December 2025 are as follows:

#### **(a) *Transactions with bank under common control of the ultimate parent (EWBC)***

On 03 January 2012, the Group entered into a Receivable Purchase Agreement with EWBC, an entity under common control of the ultimate parent. The Group agreed to sell, assign, transfer and convey to EWBC all of its rights, titles and interest on certain contracts receivables. The contracts receivables sold to EWBC will be serviced by the Group under an Accounts Servicing Agreement.

Under this agreement, the Group shall be responsible for the monitoring and collection of contracts

receivables sold to EWBC, including safekeeping of the collections in trust until these are remitted to EWBC, ten (10) days after the beginning of each month.

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

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

The Group’s plan assets in the form of cash equivalents amounting to ₱122.22 million and ₱196.60 million as of December 31, 2025 and 2024, respectively, are maintained with EWBC. The Group also maintains cash and cash equivalents with EWBC.

(b) *Transactions with Ultimate Parent (ALG)*

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

(c) *Transactions with Parent Company (FDC)*

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

On December 12, 2022, FILRT entered into a Deed of Sale for the purchase of three (3) parcels of land with a total area of 29,086 sq.m. owned by FDC, located in Boracay, Aklan. The parties agreed to a total purchase price of ₱1,047.1 million, ₱314.1 million, representing 30% of purchase price, payable upon signing of the agreement and the remaining 70% amounting to ₱732.9 million payable in equal quarterly installment up to December 2024.

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

(d) *Transactions with Associates*

*FAI*

Due from Associate’ include noninterest-bearing cash advances and various charges for management fees, marketing fees, share of expenses and commission charges.

*Pro-excel*

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

*DPI*

Transactions from DreamBuilders Pro, Inc. relate to sharing of common expenses and noninterest-bearing cash advances. DPI also provides project and construction management services for FLI projects.

*FMI*

Transactions with Filinvest Mimosa Inc. relates to sharing of common expenses. It is also the land sub-lessor of FCMI.

*FBSC (formerly CTI)*

Transactions with Financial Business Services, Corp. relate to sharing of common expenses and service fee for information and technology, finance and accounting, payroll, administration and human resource services.

On January 1, 2025, certain employees from finance, corporate and administration and human resources services of the Group were transferred to FBSC. FBSC then entered into a service partnership agreement, whereby the Group shall engage and pay the services rendered by FBSC. As of December 31, 2025, the outstanding balance of the transferred retirement benefits amounted to ₱46.58 million.

*SPI*

Transactions with SharePro, Inc. relate to sharing of common expenses and service fees for technical and project management.

In 2022 and 2021, certain employees of FLI were transferred to SPI, an associate. The related retirement benefits of these employees were also transferred with a corresponding payable to SPI under "Other payables". As of December 31, 2025 and 2024, the outstanding balance of the transferred retirement benefits amounted to ₱143.08 million and ₱144.27 million, respectively.

*(e) Transactions with Affiliates*

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

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

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

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

- (f) The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱85.92 million, ₱63.37 million, ₱48.74 million in 2025, 2024 and 2023, respectively. Post-employment benefits of key management personnel amounted to and ₱21.24 million, ₱1.70 million and ₱8.26 million in 2025, 2024 and 2023, respectively.

*(g) Leases with related parties – Group as lessor*

Chroma Hospitality, Inc. leases the office space from FILRT. The lease term is 10 years, renewable by another 5 years upon mutual agreement by the parties.

*(h) Leases with related parties - Group as lessee*

The Group has several land lease transactions with related parties:

*(a) Mall land lease with FAI*

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

On March 5, 2025, by virtue of the Deed of Exchange executed for the transfer of the Festival Main Mall Building, and which transaction was duly approved by SEC on May 27, 2025 (Note 13), the Parent Company entered into a Deed of Partial Assignment of Contract of Lease to FILRT of the original Land Lease Agreement with FAI. FILRT shall pay a monthly rental fee

equivalent to ten percent of the monthly gross lease income derived from the lease of the Mall to FLI.

(b) Land lease with FAI

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

(c) FCMI lease with FMI

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

(d) PDDC lease with FAI

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

As of December 31, 2025 and 2024, the amount included in lease liabilities payable to related parties is ₱6,403.01 million and ₱6,260.0 million, respectively.

### 1.11. Intellectual Property

The “Filinvest” trademarks, first of which was registered with the IPO on September 15, 2011, is the brand FLI uses for the names of certain real estate products and for trademarks relating to the “FLI” brand. Below are service marks owned by FLI and registered with the IPO:

| TRADEMARK                            | DATE OF REGISTRATION | TRADEMARK                        | DATE OF REGISTRATION |
|--------------------------------------|----------------------|----------------------------------|----------------------|
| One Oasis                            | 10 Dec 2009          | The Enclave at Filinvest Heights | 27 Apr 2017          |
| One Oasis Ortigas                    | 10 Dec 2009          | Filinvest International          | 04 May 2017          |
| We Build the Filipino Dream (Slogan) | 10 Dec 2009          | The Filinvest IT Zone            | 11 May 2017          |
| The Linear Makati & Design           | 12 Aug 2010          | 8 Spatial                        | 22 June 2017         |
| Filinvest (New Logo)                 | 15 Sept 2011         | Ciudad de Calamba                | 06 July 2017         |
| Studio A                             | 20 Dec 2012          | Verde Spatial                    | 06 July 2017         |
| The Signature                        | 17 Apr 2014          | One Filinvest                    | 14 July 2017         |
| Fortune Hill                         | 22 May 2014          | Marina Town                      | 30 July 2017         |
| Fora Rotunda Tagaytay                | 14 Aug 2014          | The Levels                       | 30 July 2017         |
| The Leaf                             | 20 Nov 2014          | Studio City                      | 29 Dec 2019          |
| Vinia                                | 20 Nov 2014          | Marina Spatial                   | 10 Aug 2017          |
| Citi di Mare                         | 25 Dec 2014          | Grand Cenia Residences           | 17 Aug 2017          |
| One Binondo                          | 12 Feb 2015          | Sanremo Oasis                    | 17 Aug 2017          |
| I-Go                                 | 20 Feb 2015          | East Spatial                     | 24 Aug 2017          |
| Bali Oasis                           | 26 Feb 2015          | Phuket Oasis                     | 24 Aug 2017          |
| Bali Oasis 2                         | 26 Feb 2015          | Sorrento Oasis                   | 24 Aug 2017          |
| Citi di Mare (Logo and Tagline)      | 26 Feb 2015          | Studio Zen                       | 24 Aug 2017          |
| Kembali                              | 26 Feb 2015          | Austine Homes                    | 14 Sept 2017         |
| One Spatial                          | 26 Feb 2015          | Eastbay Palawan                  | 07 Mar 2020          |
| Serulyan Mactan                      | 26 Feb 2015          | Palm Estates                     | 14 Sept 2017         |
| Capri Oasis                          | 05 Mar 2015          | Filinvest Futura                 | 07 Dec 2017          |

|                                                |              |                                       |                 |
|------------------------------------------------|--------------|---------------------------------------|-----------------|
| Timberland Heights<br>(Horizontal Orientation) | 14 May 2015  | Filinvest Prestige                    | 07 Dec 2017     |
| Timberland Heights (Stacked<br>Orientation)    | 14 May 2015  | Futura by Filinvest                   | 07 Dec 2017     |
| Kembali (Reversed Logo)                        | 25 June 2015 | Prestige by Filinvest                 | 07 Dec 2017     |
| The Glades                                     | 09 July 2015 | Brentville International<br>Community | 17 Dec 2017     |
| 100 West                                       | 23 July 2015 | New Leaf                              | 04 Jan 2018     |
| Activa                                         | 13 Aug 2015  | The Wood Estates                      | 18 Jan 2018     |
| The Veranda                                    | 27 Aug 2015  | Asiana Oasis                          | 15 Feb 2018     |
| Studio 7                                       | 12 Nov 2015  | Ventura Real                          | 29 Mar 2018     |
| Umi Garden Suites                              | 11 Feb 2016  | Nature Grove                          | 19 Apr 2018     |
| The Enclave Alabang                            | 11 Feb 2016  | Belize Aspire                         | 19 Apr 2018     |
| Filinvest (Reversed Logo)                      | 24 Mar 2016  | Southwind                             | 12 July 2018    |
| Filinvest Premiere                             | 24 Mar 2016  | Centro Spatial                        | 02 Sept 2018    |
| Futura                                         | 24 Mar 2016  | Lacuna de Taal                        | 14 Feb 2019     |
| The Ranch                                      | 12 May 2016  | Amalfi                                | 14 Feb 2019     |
| The Prominence                                 | 26 May 2016  | Futura East                           | 02 Sept 2018    |
| Aldea Real                                     | 07 July 2016 | Futura Tierra                         | 02 Sept 2018    |
| Filinvest Technology Park                      | 07 July 2016 | Manna East by Filinvest               | 04 Oct 2018     |
| La Brisa Townhomes                             | 07 July 2016 | Futura Vinta                          | 02 June 2019    |
| Montebello                                     | 07 July 2016 | Belize Oasis                          | 02 June 2019    |
| Punta Altezza                                  | 07 July 2016 | Futura Centro                         | 16 May 2019     |
| Springfield View                               | 07 July 2016 | venti-lite                            | 08 Feb 2020     |
| The Glens                                      | 07 July 2016 | Filinvest Gaia New Clark City         | 13 Oct 2020     |
| Vista Hills                                    | 07 July 2016 | Columna                               | 20 Nov 2020     |
| Woodville                                      | 07 July 2016 | Studio N                              | 11 Sept 2020    |
| Panglao Oasis                                  | 14 July 2016 | Studio N (Tradename)                  | 11 Sept 2020    |
| Amare Homes                                    | 04 Aug 2016  | Futura One Fora Dagupan               | 10 Jan 2021     |
| Nusa Dua                                       | 04 Aug 2016  | Brentville International<br>Community | 28 May 2021     |
| Pine View                                      | 04 Aug 2016  | Perth Oasis City Di Mare              | 10 Jan 2021     |
| Santoso Villas                                 | 04 Aug 2016  | Sunrise Place                         | 27 Aug 2021     |
| Blue Palm Estate                               | 11 Aug 2016  | Futura Mira                           | 18 Nov 2021     |
| Bluegrass County                               | 11 Aug 2016  | Futura Primo                          | 07 Mar 2022     |
| Pueblo Solana                                  | 11 Aug 2016  | Timberland Heights                    | 26 May 2022     |
| Summerbreeze                                   | 11 Aug 2016  | Filinvest Innovation Park             | 10 Feb 2022     |
| Savannah Fields                                | 01 Sept 2016 | Futura Monte Naga                     | 01 Sept 2022    |
| Park Spring                                    | 02 Nov 2017  | Futura Bay General Santos             | 17 Oct 2022     |
| Aspire by Filinvest                            | 07 Dec 2017  | Sydney Oasis                          | 06 May 2023     |
| Filinvest Aspire                               | 07 Dec 2017  | Stello Centrale                       | 30 Sept 2023    |
| Meridian Place                                 | 08 Sept 2016 | Futura Shores Dumaguete               | 25 Mar 2024     |
| Alta Spatial                                   | 30 Sept 2016 | Strides                               | 15 Feb 2024     |
| Kembali Coast                                  | 30 Sept 2016 | Filinvest Land, Inc.                  | 15 June 2024    |
| The Tropics                                    | 30 Sept 2016 | Filinvest Instahomes                  | 19 Aug 2024     |
| Maui Oasis                                     | 20 Oct 2016  | Iloilo Centrale                       | 05 October 2024 |
| Ashton Fields                                  | 03 Nov 2016  | Sydney Oasis Bacoar                   | 28 Nov 2024     |
| Sandia Homes                                   | 24 Nov 2016  | New Leaf 2                            | 09 Dec 2024     |
| Valle Alegre                                   | 24 Nov 2016  | Futura Rise                           | 28 Nov 2024     |
| Valle Dulce                                    | 24 Nov 2016  | Celestia by Timberlad<br>Heights      | 10 Mar 2025     |
| Havila                                         | 08 Dec 2016  | CDM City Di Mare                      | 26 April 2025   |
| Princeton Heights                              | 08 Dec 2016  | Sandia Homes                          | 08 May 2025     |
| Asenso Village                                 | 29 Dec 2016  | The Glens at Parkspring               | 07 June 2025    |

|                            |             |                                     |              |
|----------------------------|-------------|-------------------------------------|--------------|
| Hampton Orchards           | 29 Dec 2016 | Palms Estates by Filinvest Land     | 14 June 2025 |
| Tierra Vista               | 29 Dec 2016 | Studio City Filinvest City, Alabang | 12 July 2025 |
| Blue Isle                  | 19 Jan 2017 | Futura Rise Mactan                  | 11 Sept 2025 |
| Palmridge                  | 19 Jan 2017 | Fortune Hill                        | 13 Dec 2025  |
| Cyberzone Properties, Inc. | 16 Feb 2017 | Fora Dagupan by Filinvest           | 26 Dec 2025  |
| Spring Heights             | 27 Apr 2017 |                                     |              |

FLI has pending applications with the IPO for the following trademarks:

|                                               |
|-----------------------------------------------|
| 100 West Makati                               |
| The Signature Residences                      |
| Rent It Own It! easy                          |
| The Levels                                    |
| The Levels Catalina                           |
| Brentville International Community(word mark) |
| Terrace Homes at Prominence II                |

The Company has likewise filed an application with the World Intellectual Property Office (WIPO) for the international registration of the “Filinvest” trademark under the Madrid Protocol. Accordingly, “Filinvest” is now registered in the following countries:

| <b>COUNTRY</b>           | <b>DATE REGISTERED</b>   |
|--------------------------|--------------------------|
| Malaysia                 | 04 Mar 2015              |
| United States of America | 08 Mar 2016              |
| Qatar                    | 15 May 2016              |
| Kuwait                   | 04 Sept 2016             |
| United Arab Emirates     | 22 Mar 2017              |
| Thailand                 | 22 May 2017              |
| Singapore                | 24 Aug 2017              |
| Japan                    | 22 June 2018             |
| Taiwan                   | 01 July 2018             |
| Cambodia                 | 19 July 2018             |
| Hong Kong                | 24 Aug 2018              |
| China                    | 21 Sept 2018 (Class 37); |
| Korea                    | 19 Nov 2018              |

Statements of Certificate of Protection of the “Filinvest” trademark have also been issued by the following countries:

| <b>COUNTRY</b> | <b>DATE</b>  |
|----------------|--------------|
| United Kingdom | 14 Apr 2015  |
| Australia      | 01 July 2015 |
| Denmark        | 14 Sept 2015 |
| Norway         | 16 Sept 2015 |
| Switzerland    | 11 Dec 2015  |
| Austria        | 16 Aug 2018  |
| Benelux        | 20 Aug 2018  |
| Sweden         | 14 Nov 2018  |

### **1.12. Government and Environmental Regulations**

The real estate business in the Philippines is subject to significant Government regulations over, among other things, land acquisition, development planning and design, construction and mortgage financing and refinancing.

After the project plan for subdivision is prepared, FLI applies for a development permit with the local government. If the land is designated agricultural land, FLI applies with the Department of Agrarian Reform (DAR) for a Certificate of Conversion or Exemption, as may be proper. A substantial majority of FLI's existing landbank is subject to the DAR conversion process.

Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and the developer's financial, technical and administrative capabilities. Approvals must be obtained at both the national and local levels. Evidently, the Parent Company's results of operations are expected to continue to be affected by the nature and extent of the regulation of its business, including the relative time and cost involved in procuring approvals for each new project, which can vary for each project.

The Parent Company is also subject to the application of the Maceda Law, which gives purchasers of real property on an installment basis certain right regarding cancellations of sales and obtaining refunds from developers.

FLI believes that it has complied with all applicable Philippine environmental laws and regulations. Compliance with such laws, in FLI's opinion, is not expected to have a material effect on FLI's capital expenditures, earning or competitive position.

### **1.13. Employees and Labor**

As of December 31, 2025, the Company had a total of **919** full-time employees. This includes **58** executives, 201 managers, **161** supervisors and **499** rank and file employees. Management believes that FLI's current relationship with its employees is generally good and neither FLI nor any of its subsidiaries have experienced a work stoppage or any labor related disturbance as a result of labor disagreements. None of FLI's employees or any of its subsidiaries belongs to a union. FLI currently does not have an employee stock option plan.

FLI anticipates that there will be no significant change in the number of its employees in 2026.

FLI provides managers, supervisors and general staff the opportunity to participate in both in-house and external training and development programs which are designed to help increase efficiency and to prepare employees for future assignments. FLI has also provided a mechanism through which managers and staff are given feedback on their job performance, which FLI believes will help to ensure continuous development of its employees. FLI also offers employees benefits and salary packages that it believes are in line with industry standards in the Philippines and which are designed to help it compete in the marketplace for quality employees.

### **1.14. Risks**

There are risk factors that may affect the Parent Company or its operations. The risks may relate to its business or may relate to the Philippines where substantially all of its business activities are conducted and all of its assets are located.

## **RISKS RELATING TO THE COMPANY'S BUSINESS**

**The Company's business, financial condition, and results of operations face risks from public health epidemics or outbreaks of disease that could have an adverse effect on economic activity in the Philippines.**

The last health epidemic was COVID-19 in 2020. The Department of Health (DOH) reports that COVID-19 continues to circulate at very low levels, with far fewer cases than in 2023–2024 and no sustained nationwide surge. Reported cases in recent months have remained minimal and generally declining compared with previous years. However, there is a continuing risk of health epidemics that may affect the company's operations in the future.

**The Company operates in a competitive industry, which could limit the Company's ability to maintain or increase its market share and maintain profitability.**

The Company's business operations are subject to competition. Some competitors may have substantially greater financial and other resources, which may allow them to undertake more aggressive marketing and to react more quickly and effectively to changes in the markets. The entry of new competitors into the Company's business could reduce the Company's sales and profit margins. To address this, the Company continues to build housing products that appeal to its core market at the most competitive prices. It also focuses on after-sales service to maintain its reputation in the industry.

FLI is subject to significant competition in connection with the acquisition of land for residential real estate projects, investment properties and the leasing business. The Company's future growth and development are dependent, in part, on their ability to acquire or enter into agreements to develop additional tracts of land suitable for the types of residential real estate projects they have developed over the years. As the Company and its competitors attempt to locate sites for development, FLI may experience difficulty locating parcels of land of suitable size in locations and at prices acceptable to them, particularly parcels of land located in areas surrounding Metro Manila and in other urban areas throughout the Philippines. The Company may also have difficulty in attracting landowners to enter into joint venture agreements with them that will provide the Company with reasonable returns. In the event the Company is unable to acquire suitable land at acceptable prices, or at all, or to enter into agreements with joint venture partners to develop suitable land with reasonable returns, or at all, the Company's growth prospects could be limited and its business, financial condition and results of operations could be adversely affected. The Company continuously searches for suitable land for its projects especially in areas that it perceives will have significant demand.

The Company competes with a number of commercial developers, some of which have greater financial and other resources and may be perceived to have more attractive projects. Moreover, FLI's emphasis on medium-rise buildings ("MRBs") potentially exposes the Company to greater competition for real estate projects due to there being fewer barriers to entry in this segment as compared to larger developments. Competition from other developers, and in the cases of Festival Supermall, Fora Mall or Main Square Mall, Il Corso from neighboring shopping malls, may adversely affect the Company's ability to successfully operate their investment properties or attract and retain tenants, and continued development by these and other market participants could result in saturation of the market for office and retail space. The Company also faces competition with respect to its commercial office space properties, principally from Megaworld Corporation, Eton Properties Philippines, Robinsons Land Corporation, SM Prime Holdings, Inc. and Ayala Land, Inc., each of which has a large portfolio of commercial office space available for lease in Metro Manila's principal business districts. These competitors may have greater experience in commercial leasing operations and there can be no assurance that the Company will be able to successfully compete with larger and more experienced competitors. Consequently, the competition that FLI faces could have a material adverse effect on the Company's business, financial condition and results of operations.



**The Company's increased leverage could create operating risks for its business.**

The increase in debt of FLI may bring about certain undesirable results such as:

- constraints in the Company's ability to service its debt obligations
- limits in the Company's ability to attain new financing for working capital, capital expenditures, debt refinancing, and other purposes
- obligations from the Company to divert a portion of its cash flow to debt service
- a lessening of the Company's financial flexibility to take advantage of opportunities in the Philippine economy or property industry

As of December 31, 2025, FLI's consolidated interest-bearing debt (defined as the sum of consolidated loans payable and consolidated bonds payable) amounted to ₱82.75 billion of which current and non-current portions amounted to ₱17.36 billion and ₱65.39 billion, respectively. If the Company is unable to refinance or repay its debt, FLI would have to consider financing options such as the sale of its assets that may cause it to modify, delay, or abandon its future development plans. To mitigate this risk, the Company adopts stringent monitoring mechanisms designed to manage its debt levels and ensure that they are within sustainable limits. The Company's interest-bearing debt-to-equity ratio remains healthy at 0.86x as of December 31, 2025. The Company continues to manage its leverage by increasing its revenues and cost efficiencies to generate more cash from operations, thereby limiting the need to take on debt.

**The Company's business is highly regulated and Government policies and regulations could adversely affect the Company's operations and profitability.**

The Company's business operations are subject to a broad range of government laws and regulations, fiscal policies and zoning ordinances. The Company has incurred, and expects to continue to incur operating costs to comply with such laws and regulations, fiscal policies and zoning ordinances. Further changes to the applicable governmental laws and regulations, fiscal policies and zoning ordinances will result in additional costs of compliance for the Company.

The Company is subject to a wide range of government regulations, which, while varying from one locality to another, typically include zoning considerations as well as the requirement to procure a variety of environmental and construction-related permits. Use of lands may be limited by zoning, comprehensive land use plans ("CLUP") and reclassification ordinances enacted and implemented by local government units ("LGU"), such as provinces, cities or municipalities. In addition, projects that are to be located on agricultural land must get a conversion or exemption clearance from the Philippine Department of Agrarian Reform ("DAR") so that the land can be converted to non-agricultural use or certified as exempt from the coverage of the Comprehensive Agrarian Reform Program pursuant to Republic Act No. 6657 or the "Comprehensive Agrarian Reform Law of 1988," as amended ("RA 6657"). In certain cases, tenants occupying agricultural land may have to be relocated at the Company's expense.

Presidential Decree No. 957, as amended, ("PD 957") and RA 4726, also known as The Condominium Act ("RA 4726"), and Republic Act No. 6552, also known as the "Realty Installment Buyer Protection Act," more commonly known as the "Maceda Law" ("RA 6552") are the principal statutes which regulate the development and sale of real property as part of a condominium project or subdivision. PD 957 and RA 4726 cover subdivision projects for residential, commercial, industrial or recreational purposes and condominium projects for residential or commercial purposes. The Department of Human Settlements and Urban Development ("DHSUD") is the administrative agency of the Government of the Philippines which, together with LGUs, enforces these statutes and has jurisdiction to regulate the real estate trade and business. RA 6552, on the other hand, confers certain rights to buyers and covers all transactions or contracts involving the sale or financing of real estate on installment payments, including residential condominiums, except industrial lots, commercial buildings and sales to tenants under Republic Act No. 3844, as amended, or the "Agricultural Land Reform Code" ("RA 3844").

Other regulations applicable to the Company include land registration laws and regulations, real property taxation, as well as standards regarding the suitability of the site, road access, necessary community facilities, open spaces, water supply, sewage systems, garbage disposal systems, electricity supply, lot sizes, easements, the length of the housing blocks, and house construction. All subdivision development plans are required to be filed with and approved by the DHSUD and LGU with jurisdiction over the area where the project is located. Approval of development plans is conditioned on, among other things, completion of the acquisition of the project site and the developer's financial, technical and administrative capabilities. Alterations of approved plans that affect significant areas of the project, such as infrastructure and public facilities, also require the prior approval of the relevant government unit. There can be no assurance that the Company and its subsidiaries or associates or partners, will be able to obtain governmental approvals for their projects, or that these approvals can be secured without delay, or that when given, such approvals will not be revoked. In addition, owners of or dealers in real estate projects are required to obtain licenses to sell before making sales or other dispositions of subdivision lots and housing units. Project permits and any license to sell may be suspended, cancelled or revoked by the DHSUD based on its own findings or upon complaint from an interested party and there can be no assurance that the Company and its subsidiaries, associates or partners will in all circumstances, receive the requisite approvals, permits or licenses or that such permits, approvals or licenses will not be cancelled or suspended. Moreover, under Republic Act No. 7279 or the "Urban Development and Housing Act of 1992" ("RA 7279"), the Company may, in certain instances, be required to devote at least twenty percent (20%) of the total project area or cost for socialized housing. The price per unit that the Company is permitted to charge for socialized housing is subject to a pre-specified maximum, fixed by proper Government agencies and which could be reduced or increased at any time. Any of the foregoing circumstances or events could affect the Company's ability to complete projects on time, within budget, at a profit or any at all, and could have a material adverse effect on the Company's financial condition.

and results of operations. The Company monitors government regulations to ensure compliance at all times and to anticipate its effects on operations.

**The Company's business is subject to environmental regulations that could have a material adverse effect on its business, financial condition and results of operations.**

In general, developers of real estate projects are required to submit project descriptions to regional offices of the Department of Environment and Natural Resources ("DENR"). For environmentally-sensitive projects or at the discretion of the regional office of the DENR, a detailed Environmental Impact Assessment may be required and the developer will be required to obtain an Environmental Compliance Certificate ("ECC") to signify the full responsibility of the proponent in implementing specified measures which are necessary to comply with existing environmental regulations or to operate within best environmental practices that are not currently covered by existing laws. There can be no assurance that current or future environmental laws and regulations applicable to the Company will not increase the costs of conducting its business above currently projected levels or require future capital expenditures. In addition, if a violation of an ECC condition occurs or if environmental hazards on land where the Company's projects are located cause damage or injury to buyers or any third party, the Company may be required to pay a fine and incur costs in order to cure the violation and to compensate its buyers and any affected third parties. The Company cannot predict what environmental legislation or regulations will be amended or enacted in the future, how existing or future laws or regulations will be enforced, administered or interpreted, or the amount of future expenditures that may be required to comply with these environmental laws or regulations or to respond to environmental claims. The introduction or inconsistent application of, or changes in, laws and regulations applicable to the Company's real estate development could have a material adverse effect on the Company's business, financial condition and results of operations. The Company strives to ensure compliance to environmental regulations by strictly monitoring all its properties.

**The Company relies heavily on automated systems to operate its business and the failure to maintain, upgrade and secure these systems could harm the Company's business.**

The Company depends on a variety of automated systems to operate its business. Although the Company has implemented various IT-related improvements programs and installed new systems over the years, due to the continuously evolving nature of information technology systems, certain systems of the Company's automated systems are or may be relatively outdated and less integrated than those of some companies of similar scale in the Philippines and abroad. As a result, there can be no assurance that the Company's information systems will achieve their intended benefits within the anticipated time frame efficiently, or at all. Moreover, there can be no assurance that any new systems of the Company will not be rendered outdated in the near future due to rapid technological advancements.

Furthermore, the Company relies on systems developed and maintained by third parties. If these third parties experience difficulty meeting the Company's requirements or standards, it could damage the Company's reputation or make it difficult for the Company to operate some aspects of its businesses. In certain cases, the Company has developed, and intends to develop, automated systems to replace third-party systems that the Company has used, and uses, in its operations. There can be no assurance that the Company's in-house teams will be able to design, implement and maintain functional systems that adequately replace such third-party systems. In such cases, the Company generally does not have recourse to any third-party provider if the systems do not operate as intended. Any of the foregoing could have an adverse effect on the Company's business, financial condition and results of operations.

Advances in computer capabilities, new discoveries in the field of cryptography or other events or developments could result in compromises or breaches of the applicable security systems and personal data stored in these systems. Anyone who circumvents the security measures on these systems could misappropriate the Company's confidential information or cause interruptions in its services or operations. The internet is a public network and data is sent over this network from many sources. In the past, computer viruses or software programs that disable or impair computers were distributed and have rapidly spread over the internet. Computer viruses could be introduced into the Company's systems, or those of the third-party systems, which could disrupt the Company's operations or make its systems inaccessible to the third parties. The Company may be required to expend significant capital and other resources to protect against the threat of security breaches or to alleviate problems caused by breaches. The Company's security measures may be inadequate to prevent security breaches, and its business operations would be negatively impacted if security breaches are not prevented. The company implements information technology and security protocols to ensure that its systems are protected and functioning at all times.

**The Company may not be able to successfully manage its growth.**

The Company has acquired various new and diversified commercial assets in recent years, and the Company intends to continue to pursue an aggressive growth strategy for its business. There can be no assurance that, in the course of implementing its growth and diversification strategy, FLI will not experience capital constraints, construction delays, operational difficulties at new operational locations or difficulties in operating existing businesses and training personnel to manage and operate expanded businesses. Any inability or failure to adapt effectively to growth, including strains on management and logistics, could result in losses or development costs that may not be recovered as quickly as anticipated, if at all. These problems could have a material adverse effect on the Company's reputation and on its business, financial condition and results of operations.

In the real estate business, the Company holds 53.9 hectares in the SRP, which is a reclaimed land project located in Cebu City. FLI has developed City di Mare, the Il Corso Mall on a 10.6-hectare portion it owns in SRP. In addition, FLI constructed MRBs known as San Remo and Amalfi under a 40-hectare joint venture and profit-sharing arrangement with the Cebu City Government. In 2019, the Filinvest group has fully paid an additional acquisition of 9.6 hectares of land in SRP where FLI owns 3.3 hectares as of December 2021. In September 2015, FLI won the bid for the right to own 55.0% of a joint venture company with the Bases Conversion Development Authority ("BCDA") tasked with the development, marketing, management and leasing of the first phase of Clark Green City that covers 288 hectares of land adjoining Clark Freeport Zone and the CIA in Northern Luzon. Further, in 2016, together with FLI and the Clark Development Corporation, FLI formed Filinvest Mimosa, Inc. ("FMI") which entered into a 50-year lease (renewable for another 25 years) with the Clark Development Corporation for the development of 200-hectare Mimosa Leisure Estate. These are just some of the land acquisitions of the company within the last few years. All these projects require significant manpower resources, including the contracting of suitable and reputable third-party contractors. If FLI cannot manage its growth, find suitable contractors or otherwise incur any delay or default on any of its development or construction obligations, business, results of operations and financial condition may be materially and adversely affected. The Company continuously reviews its expansion plans and implements measures to ensure execution of these plans.

**The Company may be unable to continue to exploit opportunities to acquire or invest in new businesses and diversify its operations.**

As part of the Company's business strategy, it intends to selectively explore acquisitions of, and investment opportunities that may enhance its revenue growth, operations and profitability. From time to time, the Company may publicly announce potential investments and acquisitions under consideration. If general economic and regulatory conditions or market and competitive conditions change, or if operations do not generate sufficient funds or other unexpected events occur, the Company may need to delay, modify or forego some aspects of its growth strategies, and its future growth prospects could be adversely affected.

The Company's ability to grow successfully and profitably through acquisitions will depend on numerous factors, including the availability of suitable acquisition or investment targets, competition for those acquisitions, particularly from those companies with larger and more geographically diverse operations and greater financial resources than the Company, the ability of the companies the Company acquires to perform operationally or financially in the manner expected, the Company's ability to successfully integrate and operate its acquisitions, the availability of expertise and financial resources to successfully manage such acquisitions on a regional scale, the availability of financing from internal or external sources for the Company to complete those acquisitions and the legal, regulatory, social, political and economic factors which prevail in the markets where those opportunities may exist.

To the extent the Company acquires or invests in areas that are outside of the Company's existing business, the Company will face challenges, including with respect to the Company's ability to develop the expertise required to successfully engage in the businesses it acquires or invests in and to make such businesses successful, the Company's ability to develop a reputation in industries into which it might expand, the Company's ability to attract and retain customers, suppliers and managers for new businesses; and competition from companies engaged in similar businesses in the markets that the Company has targeted for entry which is dependent, in part, upon the number, size, operating history, expertise, reputation and financial resources of those competitors. Furthermore, to the extent such investments are undertaken as joint ventures, there can be no assurance that the Company's public and private partners will meet their joint venture obligations in a timely manner or at all.

In addition, the Company may spend considerable management time and cost in evaluating potential acquisition targets or investments which may divert management attention from the Company's current business. As a result of any of these factors, the Company may be unable to grow its existing business in the manner it expects, which could have a material adverse effect on the Company's existing business, financial condition and results of operations. The Company's future acquisitions and investments, if any, may require it to use significant amounts of cash and incur substantial amounts of indebtedness, each of which could adversely affect the Company's business, financial condition and results of operations. To minimize this risk, the company regularly assesses market conditions and formulates plans as well as alternatives if market conditions change. This allows the company to be flexible and agile.

**The businesses in which the Company currently operate and may in the future operate are capital-intensive. Failure to obtain financing or the inability to obtain financing on reasonable terms could affect the execution of the Company's operations and growth plans.**

The business in which the Company currently operates and may in the future operate are capital-intensive. The real estate business requires significant capital expenditures to develop and implement new projects and complete existing projects. In 2024, the Company spent ₱15.5 billion on capital expenditures. For the year ended December 31, 2025, the Company spent ₱11.4 billion on capital expenditure for land acquisition, land development, housing and condominium construction and investment properties.

Historically, while the Company has funded a significant portion of its capital expenditure requirements internally from its real estate operations, it has periodically utilized external sources of financing. However, there can be no assurance that, to complete its planned projects or satisfy its other liquidity and capital resources requirements, the Company will be able to continue funding its capital expenditure requirements internally, or that it will be able to externally obtain sufficient funds for its capital expenditure budgets, at acceptable rates or at all. The Company's ability to raise additional equity financing from non-Philippine investors is subject to foreign ownership restrictions imposed by the Philippine Constitution and applicable laws. The Company's continued access to debt financing as a source of funding for new projects and acquisitions and for refinancing maturing debt is subject to many factors, many of which are outside of the Company's control. For example, political instability, an economic downturn, social unrest, changes in the Philippine regulatory environment or the bankruptcy of an unrelated company within a similar industry or industries in which the Company operates could increase the Company's cost of borrowing or restrict the Company's ability to obtain debt financing or comply with its debt financing covenants. In addition, disruptions in the capital and credit markets, which occurred in the past, may recur and such disruptions could adversely affect the Company's access to financing. The Company cannot guarantee that it will be able to arrange financing on acceptable terms, or at all. The

inability of the Company to obtain financing from banks and other financial institutions or on acceptable terms would adversely affect its ability to operate or execute its growth strategies. To manage this risk, the Company has established a wide range of possible financing options. The company is also flexible enough to adjust its plans depending on the financial resources.

**The interests of the Company's joint venture partners may differ from those of the Company and such partners may take actions that adversely affect the Company or its subsidiaries.**

A joint venture involves special risks where the venture partner may have economic or business interests or goals that are inconsistent with or different from those of the Company. The joint venture partner may also take actions contrary to the Company's instructions or requests, or in direct opposition to the Company's policies or objectives with respect to the underlying business or dispute the distribution of its joint venture share. The joint venture partner may also fail to perform its obligations under the joint venture arrangement. Disputes between the Company and its joint venture partners could arise after significant capital investments in a project have been made, which could result in the loss of some or all of the Company's investment in that project. The Company's reliance on its joint venture arrangements could therefore have a material adverse effect on the Company's business, financial condition and results of operations.

FLI also has current joint venture arrangements or partnerships with several government units. Although these projects/developments are covered by contracts and agreements that have been authorized by government legal protocols and proceedings, there might be circumstances in the future that such agreements may be subjected to review and audit which may affect the Company's ability to deliver on its obligations to its clients and might hamper the operations of the company as a whole to generate the revenues from the projects. Such joint venture arrangements are the ff: (i) 40-hectare joint venture project with Cebu City Government in SRP (ii) 4.1-hectare BTO (Build-Transfer-Operate) arrangement with Cebu Provincial Government for 7 office tower buildings and commercial centers in Lahug and Apas, Cebu. (iii) land lease agreement with Clark Development Corporation involving the 200-hectare Mimosa Plus estate in Clark Pampanga, together with FDC; and (iv) joint development partnership with BCDA on 288-hectare New Clark City in Tarlac. The Company maintains good relationships with its joint venture partners to ensure common objectives.

**FLI is controlled by the Gotianun Family and their interests may differ significantly from the interests of other shareholders.**

FLI is controlled by members of the Gotianun Family, who either individually or collectively have controlled FLI and its subsidiaries since the inception of FLI. As of December 2025, members of the Gotianun Family were the beneficial and record owner of approximately 65.30% of the Company's issued and outstanding Shares. Members of the Gotianun Family also serve as directors and executive officers in FLI. There is also no non-compete agreement or other formal arrangement in place to prevent other companies that are also controlled by the Gotianun Family from engaging in activities that compete directly with the Company's businesses or activities, which could have a negative impact on the Company. Neither can there be any assurance that the Gotianun Family will not take advantage of business opportunities that may otherwise be attractive to the Company. The interests of the Gotianun Family, as the Company's controlling shareholder, may therefore differ significantly from or compete with the Company's interests or the interests of other shareholders, and the Gotianun Family may vote their Shares in a manner that is contrary to the interests of the Company or the Company's other shareholders. There can be no assurance that the Gotianun Family will exercise influence over the Company in a manner that is in the best interests of the Company or its other shareholders. The Company has three (3) independent directors who are independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with their exercise of independent judgment in carrying out their responsibilities as directors of the Company. All major decisions are brought to the Board of Directors for approval.

**The Company is highly dependent on certain directors and members of senior management.**

The Company's directors and members of its senior management have been an integral part of the Company's success, and the experience, knowledge, business relationships and expertise that would be lost should any such persons depart or take on reduced responsibilities could be difficult to replace and may result in a decrease in the Company's operating efficiency and financial performance. Members of the Gotianun Family also fill certain key executive positions and the Company may not be successful in attracting and retaining executive talent to replace these family members should they depart or take on reduced responsibilities. Such executives include: Jonathan T. Gotianun, Chairman; Lourdes Josephine Gotianun Yap, Vice-Chairperson; Michael Edward T. Gotianun, Director; and Francis Nathaniel C. Gotianun, Director. While the Company has an active program for succession planning, which includes continued participation of retiring executives on key committees, if any such person departs or takes on reduced responsibilities or is otherwise unavailable to the Company and the Company is unable to fill any vacant key executive or management positions or responsibilities with qualified candidates, its business, financial condition and results of operations may be adversely affected. The Company does not carry insurance in respect of the loss of the services of any of the members of its management. The Company has put in place succession planning that will ensure stable management. The Company also has a roster of professional senior management with extensive experience in real estate.

**The Company may be unable to attract and retain skilled professionals.**

The Company believes there is significant demand for its skilled professionals not only from its competitors in the Philippines but also from companies outside of the Philippines, particularly companies operating in Asia and the Middle East. The Company's ability to retain and attract highly skilled personnel, particularly architects, engineers, hotel managers, hospitality professionals, and project and operation managers, will affect its ability to plan, design and execute current and future projects. In particular, any inability on the part of the Company to hire and, just as importantly, to retain qualified personnel could impair its ability to undertake project design, planning and execution activities in-house and could require FLI to incur additional costs by having to engage third parties to perform these activities. The Company has put in place succession planning in the event of difficulty in hiring professionals. The Company has also established a number of methods for recruiting professionals.

**Ownership over certain land owned by the Company may only be evidenced by tax declarations or may be contested by third parties.**

The Philippines has adopted the Torrens system of land registration, which is intended to conclusively confirm land ownership by providing a state guarantee of indefeasible title to those in the register, and which is binding on all persons (including the Government). However, in certain instances and for various reasons such as inadequate recordkeeping or delays in the processing of certificates of title, it is not uncommon for landowners to have their ownership evidenced only by tax declarations, and not the more common certificates of title. Although the Company may have conducted the requisite due diligence on its properties and is confident of its ownership over such properties, there can be no assurance that other parties will not assert their own claims of ownership and present similar or stronger documents of title over such properties.

Moreover, it is not uncommon for third parties to claim ownership of land which has already been registered and over which a title has been issued. There have been cases where third parties have produced false or forged title certificates over land and there are difficulties in obtaining title guarantees with respect to properties in the Philippines. Title to land is often fragmented and land may have multiple owners. Land may also have irregularities in title, such as non-execution or non-registration of conveyance deeds, which may be subject to encumbrances of which the Company, its subsidiaries and their respective joint venture partners may not be aware. The difficulty of obtaining title guarantees in the Philippines means that title records provide only for presumptive rather than guaranteed title. As each transfer in a chain of title may be subject to a variety of defects, the title and development rights of the Company, its subsidiaries and their respective joint ventures may be subject to various defects of which they are not

aware. For these and other reasons, title insurance is not readily available in the Philippines. Title defects may result in the loss by the Company or its subsidiaries or their respective joint ventures of the title over land.

From time to time the Company has had to and may continue to defend itself against third parties who claim to be the rightful owners of land which has been the subject of tax declarations in the name of the Company, titled in the name of the persons selling the land to the Company or which has already been titled in the name of the Company. Although historically these claims have not had a material adverse effect on the Company, in the event a greater number of similar third-party claims are brought against the Company in the future or any such claims involves land that is material to the residential and land development projects of the Company or its subsidiaries, the management of the Company or relevant subsidiary may be required to devote significant time and incur significant costs in defending itself against such claims. In addition, if any such claims are successful, the Company may have to either incur additional costs to settle such third-party claims or surrender title to land that may be material in the context of its land development or other business projects. Any of the foregoing circumstances could have a material adverse effect on the Company's business, financial condition and results of operation, as well as on its business reputation. The Company follows strict processes and documentation standard to make sure that land purchase transactions are without issues.

**Any future changes in PFRS and PAS may affect the financial reporting of the Company's business.**

Developments in Accounting standards are being monitored to anticipate the effects on the Company's financial position.

**FLI has a number of related party transactions with affiliated companies.**

The companies controlled by the Gotianun Family have a number of commercial transactions with the Company. As of December 31, 2025, the Company had an outstanding net amount due from related parties (after deducting amounts due to related parties) of ₱431.65 million. These related party transactions, apart from outstanding compensation to directors, officers, stockholders, and related interests, also include non-interest-bearing cash advances and various charges to and from non-consolidating affiliates for management fees, rent, share of expenses and commission charges. The Company also applies this principle to contracts between different companies within the Company. See "*Related Party Transactions*" and the notes to the Company's consolidated financial statements.

The Company expects that it will continue to enter into transactions with companies directly or indirectly controlled by or associated with the Gotianun Family. These transactions may involve potential conflicts of interest which could be detrimental to the Company and/or its shareholders. Conflicts of interest may also arise between the Gotianun Family and the Company in a number of other areas relating to its business, including:

- major business combinations involving the Company;
- plans to develop the respective business of the Company; and
- business opportunities that may be attractive to the Gotianun Family and the Company.

The Company can provide no assurance that the Company's related party transactions will not have a material adverse effect on its business, financial condition and results of operations. All major related party transactions are subject to approval of the Board of Directors. The Company has three (3) independent directors who are independent of management and free from any business or other relationship which could, or could reasonably be perceived to materially interfere with their exercise of independent judgment in carrying out their responsibilities as directors of the Company.



**The Company is involved in litigation, which could result in financial losses or harm its business.**

The Company is subject to lawsuits and legal actions in the ordinary course of its real estate development and other allied activities. Litigation could result in substantial costs to, and a diversion of effort by, the Company and/or subject the Company to significant liabilities to third parties. There can be no assurance that the results of such legal proceedings will not materially harm the Company's business, reputation or standing in the market or that the Company will be able to recover any losses incurred from third parties, regardless of whether any company is at fault. There can be no assurance that losses relating to litigation would not have a material adverse effect on the Company's business, financial condition and results of operation, or that provisions made for litigation related losses will be sufficient to cover the Company's ultimate loss or expenditure. See "*Business—Legal Proceedings*." The Company continues to monitor all project implementations and contract commitments to ensure compliance with agreements as to minimize the probability of litigations against the Company.

**Natural or other catastrophes, including severe weather conditions and earthquakes, may materially disrupt the Company's operations, affect its ability to complete projects and result in losses not covered by its insurance.**

The Philippines has experienced a number of major natural catastrophes over the years, including typhoons, droughts, volcanic eruptions and earthquakes. Natural catastrophes may disrupt the Company's business operations and impair the economic conditions in the affected areas, as well as the overall Philippine economy. These factors, which are not within the Company's control, could potentially have significant effects on its business operations and development projects, many of which are large, complex estates within infrastructure, such as buildings, roads and perimeter walls that are susceptible to damage. Damages resulting from such natural catastrophes could also give rise to claims against the Company from third parties or from customers, for example for physical injury or loss of property. As a result, the occurrence of natural or other catastrophes or severe weather conditions, may adversely affect the Company's business, financial condition and results of operations. Further, although Company carries insurance for certain catastrophic events, of different types, in varying amounts and with deductibles and exclusions that the Company believes are in line with general industry practices in the Philippines, there are losses for which the Company cannot obtain insurance at a reasonable cost or at all. Should an uninsured loss or a loss in excess of insured limits occur, the Company could lose all or a portion of the capital invested in a property, as well as the anticipated future turnover from such property, while remaining liable for any project costs or other financial obligations related to the business. Any material uninsured loss could materially and adversely affect the Company's business, financial condition and results of operations. The Company has planned for these events and have put in place a business continuity plan to ensure continuous operations.

**The Company's real estate portfolio of residential property development projects exposes the Company to sector-specific risks.**

Because the Company's real estate business is concentrated in the Philippine residential property market, reduced levels of economic growth, adverse changes in the country's political or security situation, or weaker performance of the country's property development market generally could materially adversely affect the Company's profitability. The property development business involves significant risks distinct from those involved in the ownership and operation of established properties, including the risk that the Company may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales and which may not be commercially viable. The Company's results of operations are therefore dependent, and are expected to continue to be dependent, on the continued success of their residential and land development projects.

Additionally, the Philippine residential real estate industry is highly competitive. The Company's projects are largely dependent on the acceptance of their projects when compared to similar types of projects in their geographic areas, as well as on the ability of the Company to correctly gauge the market for their projects. Important factors that could affect the Company's ability to effectively compete include a project's relative location versus that of its competitors, particularly to transportation facilities and

commercial centers, as well as the quality of the residences and related facilities offered by the Company, pricing and the overall attractiveness of the project. The time and costs involved in completing the development and construction of residential projects can be affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, depreciation of the peso, natural disasters, labor disputes with contractors and subcontractors, and the occurrence of other unforeseeable circumstances. Any of these factors could result in project delays and cost overruns, which could negatively affect the Company's margins. Moreover, failure by the Company to complete construction of a project to its planned specification or schedule may result in contractual liabilities to purchasers and lower returns, all of which could have a material adverse effect on the Company's business, financial condition and results of operations. The Company follows a planning process taking into account all factors that affect the completion of projects. The Company is able to anticipate changes and accordingly adjust its plans and implementation should such adjustments become necessary.

**The Company is exposed to risks associated with the operation of their investment properties and the development of their office space and retail leasing business and the integration of such investment properties with its core housing and land development business.**

The operations of the Company's commercial real estate assets, which includes interests in leasable office space in PBCOM Tower and the Northgate Cyberzone and other commercial properties in Filinvest City and elsewhere in the Philippines, as well as ownership of Festival Supermall and other malls, are subject to risks relating to their respective operations. The Company's ability to lease out their commercial and office properties in a timely manner and collect rent at profitable rates, or at all, is affected by each of the following factors, among others:

- the national and international economic climate;
- changes in demand caused by policies affecting call centers and other BPO operations in the Philippines and worldwide, including the relative cost of operating BPOs in the Philippines as compared to other markets (such as India), which depends in part on the continued favorable regulations and fiscal incentive regimes with respect to such industries and the Government's general policy with respect to investments and industries from China;
- trends in the Philippine retail industry, insofar as Filinvest LifeMalls are concerned;
- changes in laws and governmental regulations in relation to real estate, including those governing usage, zoning, environment, taxes and government charges;
- the inability to collect rent due to bankruptcy of tenants or otherwise;
- competition for tenants;
- changes in market rental rates;
- the need to periodically renovate, repair and re-let space and the costs thereof;
- the quality and strategy of management; and
- the Company's ability to provide adequate maintenance and insurance coverage.

The Company could also be adversely affected by the failure of tenants to comply with the terms of their leases or commitments to lease, declining sales turnover of tenants at Filinvest LifeMalls or oversupply of or reduced demand for BPO services, office space and/or retail space. In particular, with respect to retail property leases, including those at Festival Supermall and other retail properties, it is generally the case that all or a portion of the rent to which the Company is entitled comprises a percentage of the tenant's sales, which percentage generally ranges from 1.5% to 15% depending on the tenant's merchandise. Accordingly, the Company is exposed to deterioration in the businesses of their tenants. If the Company is unable to lease their properties in a timely manner or collect rent at profitable rates or at

all, this could have a material adverse effect on the Company's operations and financial condition. Further, the success of the Company's investment properties will depend, in part, on their ability to realize the potential revenue and growth opportunities from these assets.

The Company is subject to risks incidental to the ownership and operation of commercial, office and related retail properties including, among other things, competition for tenants, changes in market rents, inability to renew leases or re-let space as existing leases expire, inability to collect rent from tenants due to bankruptcy or insolvency of tenants or otherwise, increased operating costs and the need to renovate, repair and re-let space periodically and to pay the associated costs. In particular, FLI's BPO properties rely on the growth of the BPO business as a source of revenue. If the BPO business does not grow as the Company expects or if the Company is not able to continue to attract BPO-based tenants to development projects that are targeted for BPO companies, FLI may not be able to lease its BPO office space in a timely manner or at satisfactory rents or at all, which could have a material adverse effect on the Company's operations and financial condition

The Company is subject to the risk that government pronouncements, such as the Department of Finance's Fiscal Incentives Review Board Resolution (FIRB) No. 026-22, may affect the demand for office space leasing. This FIRB Resolution allows Information Technology and Business Process Management ("IT-BPM") companies to shift registration from the Philippine Economic Zone Authority ("PEZA") to the Board of Investments (BOI) to adopt up to 100% work from home arrangement.

The Company targets a wide range of clients from the BPO sector as well as traditional offices. It also engages in marketing activities on a continuing basis to build up its client base.

The Company is also subject to risks arising from accidents at its commercial, office and related retail properties. Although the buildings and their facilities are subject to regular testing and maintenance, there is no assurance that facilities of the Company's properties will not malfunction and cause injuries.

The Company follows a planning process taking into account all factors that affect the profitability of projects. The Company is able to anticipate changes and accordingly adjust its plans and implementation should such adjustments become necessary.

**Fluctuations in interest rates, changes in Government borrowing patterns and Government regulations could have a material adverse effect on the Company and their customers' ability to obtain financing.**

Interest rates, and factors that affect interest rates, such as the Government's fiscal policy, could have a material adverse effect on the Company, residential property development, and demand for their real estate projects. For example:

- Higher interest rates make it more expensive for the Company to borrow funds to finance ongoing projects, obtain financing for new projects, or service existing debt with floating interest rates.
- Insofar as the Company's residential housing and land development business is concerned, because the Company believes that a substantial portion of their customers procure financing (either from banks or using the Company's in-house financing program) to fund their property purchases, higher interest rates make financing, and therefore purchases of real estate, more expensive, which could adversely affect demand for the Company's residential projects.
- In connection with the Company's in-house financing activities, from time to time the Company sells receivables from customers who obtain in-house financing to financial institutions on a "with recourse" basis, which requires the Company to pay interest to the financial institution purchasing the receivable and obligates the Company to repurchase the principal balance of the receivable plus accrued interest in certain circumstances. The difference between the interest rate the Company charges their customers and the interest rate they pay to these financial institutions contribute to the Company's interest income. Higher interest rates charged by these financial institutions would reduce the Company's net interest income.

- The Company's access to capital and its cost of financing are also affected by restrictions, such as the single borrower limit ("SBL") imposed by the BSP on bank lending. If the Company were to reach the SBL with respect to any bank, the Company may have difficulty obtaining financing with reasonable rates of interest from other banks.
- If the Government significantly increases its borrowing levels in the domestic currency market, this could increase the interest rates charged by banks and other financial institutions and also effectively reduce the amount of bank financing available to both prospective property purchasers and real estate developers, including the Company.
- Increased inflation in the Philippines could result in an increase in raw materials costs, which the Company may not be able to pass onto its customers as increased prices.
- A further expansion in the budget deficit of the Government could also result in an increase in interest rates and inflation, which could in turn have a material effect on the ability of the Company to obtain financing at attractive terms, and on the ability of its customers to similarly obtain financing.

The occurrence of any of the foregoing events, or any combination of them, or of any similar events could have a material adverse effect on the Company's business, financial condition and results of operations.

The Company has a wide range of funding sources, where it can avail of new borrowings to fund new projects or to refinance existing debt. It also has the ability to revise plans to conserve cash such as decreasing any intended capex levels.

**A significant portion of the demand for the Company's residential real estate projects is from overseas Filipino workers ("OFWs") and expatriate Filipinos, which exposes the Company to risks relating to the performance of the economies of the countries where these potential customers are based.**

The Company relies on OFWs and expatriate Filipinos to generate a significant portion of the demand for their residential projects, particularly for their affordable and middle-income projects. Approximately 19% of the Company's real estate sales for the year ended December 31, 2025 is attributed to sales to OFWs. A number of factors could lead to, among other effects, reduced remittances from OFWs, a reduction in the number of OFWs or a reduction in the purchasing power of expatriate Filipinos. These include a downturn in the economic performance of the countries and regions where a significant number of potential customers are located, such as the Middle East, Singapore, Japan, Italy and the United Kingdom, a change in Government regulations that currently exempt the income of OFWs from taxation in the Philippines, the imposition of restrictions by the Government on the deployment of OFWs to particular countries or regions, such as the Middle East, and restrictions imposed by other countries on the entry or the continued employment of foreign workers. Any of these events could adversely affect demand for the Company's residential real estate projects from OFWs and expatriate Filipinos, which could have a material adverse effect on the Company's business, financial condition and results of operations. The Company continues to offer affordable products and reasonable payment terms.

**The Company faces certain risks related to the cancellation of sales involving their residential real estate projects and if the Company were to experience a material number of sales cancellations, the Company's historical revenues from real estate operations would be overstated.**

As a developer and seller of residential real estate, the Company's business, financial condition and results of operations could be adversely affected in the event a material number of subdivision lot or residential sales are cancelled.

The Company is subject to RA 6552 (the "**Maceda Law**"), which applies to all transactions or contracts involving the sale or financing of real estate through installment payments, including residential

condominium units (but excluding industrial and commercial lots). Under the Maceda Law, buyers who have paid at least two (2) years of installments are granted a grace period of one month for every year of paid installments to cure any payment default. If the contract is cancelled, the buyer is entitled to receive a refund of at least 50.0% of the total payments made by the buyer, with an additional 5% per annum in cases where at least five years of installments have been paid (but with the total not to exceed 90.0% of the total payments). Buyers who have paid less than two (2) years of installments and who default on installment payments are given a sixty (60)-day grace period to pay all unpaid installments before the sale can be cancelled, but without right of refund.

While the Company has not experienced a material number of cancellations to which the Maceda Law has applied, there can be no assurance that it will not experience a material number of cancellations in the future, particularly during slowdowns or downturns in the Philippine economy, periods when interest rates are high or similar situations. In the event the Company experiences a material number of cancellations, it may not have enough funds on hand to pay the necessary cash refunds to buyers or the Company may have to incur indebtedness in order to pay such cash refunds. In addition, particularly during an economic slowdown or downturn, there can be no assurance that the Company would be able to resell the same property at an acceptable price or at all. Any of the foregoing events would have a material adverse effect on the Company's business, financial condition and results of operations.

In the event the Company experiences a material number of sales cancellations, investors are cautioned that the Company's historical revenue from its real estate operations could be overstated because such historical revenues would not have accurately reflected subsequent customer defaults or sales cancellations. Investors are also cautioned not to rely on the Company's historical statements of income as indicators of its future revenues or profits.

For sales of residential units in the Company's middle-income and high-end projects, from time to time the Company generally commences construction of a unit even before the full amount of the required down payment is made, and thus, before the sale is recorded as revenue. Therefore, the Company risks having spent cash to begin construction of a unit before being assured that the sale will eventually be booked as revenue, particularly, if the buyer is unable to complete the required down payment and the Company is unable to find another purchaser for such property.

There can be no assurance that the Company will not suffer from substantial sales cancellations and that such cancellations will not have a material adverse effect on the Company's financial condition and results of operations. The Company continues to offer reasonable and affordable payment terms to buyers so as to minimize cancellations.

**The Company faces risks relating to the management of their land bank, including area concentration within the land bank, which could adversely affect their margins.**

The Company must continuously acquire land to replace and expand land inventory within their current markets. The risks inherent in purchasing and developing land increase as consumer demand for the Company's core property businesses, including residential, commercial and retail, decreases, and can be further affected by the concentration of land in a particular area within the land bank. The market value of land, subdivision lots, housing and condominium inventories, retail and leasing spaces, can all fluctuate significantly as a result of changing market conditions. An adverse change in the market value of land in those areas in which the concentration of the Company's land bank is highest would amplify the negative impact on the Company's business and financial condition. The Company cannot assure investors that the measures they employ to manage land inventory risks will be successful. In the event of significant changes in economic, political, security or market conditions, the Company may have to sell subdivision lots, residential units, lease retail spaces or rent rooms in their hospitality projects at significantly lower margins or at a loss. Changes in economic or market conditions may also require the Company to defer the commencement of its various real estate projects. This would require the Company to continue to carry the cost of acquired but undeveloped land on its statement of financial position, as well as reduce the amount of property available for sale or development. Any of the foregoing events could have a material adverse effect on the Company's business, financial condition and results of operations. To

minimize the risks, the Company conducts comprehensive market studies on land and sets plans on the timely rollout of projects.

**The Company faces risks relating to its real estate projects, including risks relating to project cost, completion time frame and development rights.**

The property development business involves significant risks distinct from those involved in the ownership and operation of established properties, including the risk that the Company may invest significant time and money in a project that may not attract sufficient levels of demand in terms of anticipated sales and which may not be commercially viable. In addition, obtaining required Government approvals and permits may take substantially more time and resources than anticipated or construction of projects may not be completed on schedule and within budget.

In addition, the time and the costs involved in completing the development and construction of real estate projects can be adversely affected by many factors, including shortages of materials, equipment and labor, adverse weather conditions, peso depreciation, natural disasters, labor disputes with contractors and subcontractors, accidents, changes in laws or in Government priorities and other unforeseen problems or circumstances. Where land to be used for a project is occupied by tenants and/or squatters, the Company may have to take steps, and incur additional costs, to remove such occupants and, if required by law, to provide relocation facilities for them. Any of these factors could result in project delays and cost overruns, which could negatively affect the Company's margins. This may also result in sales and resulting profits from a particular project not being recognized in the year in which it was originally expected to be recognized, which could adversely affect the Company's results of operations for that year. Further, the failure by the Company to complete construction of a project to its planned specifications or schedule may result in triggering contractual liabilities to purchasers or other counterparties, and lower returns. The Company cannot provide any assurance that such events will not occur in a manner that would materially and adversely affect the Company's business, results of operations or financial condition. The Company follows a planning process taking into account all factors that affect the profitability of projects. The Company is able to anticipate changes and able to adjust its plans and implementation.

**The Company's reputation may be adversely affected if projects are not completed on time or if projects do not meet customers' requirements.**

Over the years, the Company believes it has established in the Philippines an excellent reputation and brand name in the property development business, and in more recent years in the hospitality business. If any of the Company's real estate projects experience construction or infrastructure failures, design flaws, significant project delays, quality control issues or otherwise, this could have a negative effect on the Company's reputation and make it more difficult to attract new customers to its new and existing property development projects. Any negative effect on the Company's reputation or its brand could also affect its ability to pre-sell their residential and land development projects. This would impair the Company's ability to reduce its capital investment requirements. The Company cannot provide any assurance that such events will not occur in a manner that would adversely affect the Company's business, results of operations or financial condition. To minimize risks, the Company makes sure that projects are constructed following the highest standards of quality and strives to adhere to project schedules.

**Independent contractors may not always be available, and once hired by the Company, may not be able to meet quality standards and/or may not complete projects on time and within budget.**

While the Company recently set up its own construction company subsidiary, Dreambuilders Pro, Inc. (DPI), to construct certain projects such as MRBs, the Company still relies on independent contractors to provide various services for its other real estate projects, including land clearing, various construction projects and building and property fitting-out works. The Company selects independent contractors principally by conducting tenders and taking into consideration factors such as the contractors' experience, their financial and construction resources, any previous relationship with the Company, their reputation for quality and their track record. There can be no assurance that the Company will be able to find or engage an independent contractor for any particular project or find a contractor that is willing to undertake

a particular project within the Company's budget, which could result in costs increases and/or project delays. In particular, the Company may face difficulty engaging or finding available suitable independent contractors in areas outside Metro Manila or other metropolitan areas. Further, although the Company's personnel actively supervise the work of such independent contractors, there can be no assurance that the services rendered by any of the independent contractors will always be satisfactory or match the Company's requirements for quality. Contractors may also experience financial or other difficulties, and shortages or increases in the price of construction materials may occur, any of which could delay the completion or increase the cost of certain housing and land development projects, and the Company may incur additional costs as a result thereof. Any of these factors could have a material adverse effect on the Company's business, financial condition and results of operations. The Company maintains a large pool of contractors to ensure availability and subjects each one through a stringent selection process to meet the professional standards required by its projects.

**The implementation of tax reforms may have negative impact on the results of operations of the company and the loss of certain tax exemptions and incentives will increase the Company's tax liability and decrease any profits the Company might have in the future.**

Certain projects of the Company benefit from certain tax incentives and tax exemptions. In particular:

- Income from sales of subdivision lots and housing units in socialized housing projects (i.e., sales of a lot with a gross selling price of ₱180,000 or below or house and lot ("H&L") unit with a gross selling price of ₱850,000 or below) are currently exempt from taxation;
- Several of FLI's assets, such as the Filinvest Technology Park-Calamba, New Clark City and the Northgate Cyberzone, are registered with the Philippine Economic Zone Authority ("PEZA") as special economic zones ("Eco zones") and FLI's modified gross income generated from these assets is subject to a preferential income tax rate of 5%;
- Mimosa Plus estate in Clark Mimosa is in Clark Special Economic Zone and the modified gross income generated from the projects within this zone enjoys a preferential income tax rate of 5% as registered and granted by Clark Development Corp (CDC).

Several developments of FLI are registered with BOI and granted an income tax holiday for certain number of years.

On December 19, 2017, the President of the Philippines signed into law the Tax Reform for Acceleration and Inclusion or Republic Act No. 10963 ("**TRAIN Law**") which took effect on January 1, 2018. The TRAIN Law amends certain provisions of the Tax Code and is the first package of the Comprehensive Tax Reform Program ("**CTRP**") of the Duterte administration. -

Under the TRAIN Law, sales of residential lots with a gross selling price of ₱1,919,500 or less and sales of residential houses and lots or condominium units with a gross selling price of ₱3,199,200 or less are currently not subject to the value-added tax ("**VAT**") of 12.0%, and beginning January 1, 2021, the VAT exemption shall only apply to socialized housing and to house and lots and residential dwellings with selling price of not more than ₱2.0 million. This may result in some of the Company's sales becoming subject to VAT, leading to an increase in the selling price. This could adversely affect the Company's sales. Taxes, such as VAT, are expected to have an indirect effect on the results of operations of the Company due to their effect on the levels of spending of consumers or buyers.

In January 2024, the Bureau of Internal Revenue issued Revenue Regulation 1-2024 where house and lots, as well as other residential properties priced at P3.6 million and below, to be exempt from 12% VAT. The threshold was raised from P3.199 million.

Package 2 under the CTRP is Republic Act No. 11534 otherwise known as the Corporate Recovery and Tax Incentives for Enterprise Act (previously the CITIRA bill or the TRABAHO bill) ("**CREATE Act**"). The CREATE Act intends to incentivize businesses by reducing corporate income tax and rationalizing

incentives, among others. The CREATE Act was signed by the President on March 26, 2021 and became effective on April 11, 2021.

The CREATE Act rationalized the grant of certain tax incentives. Registered business enterprises with tax incentives granted prior to the effectivity of the CREATE Act shall be subject to the following rules:

1. Those that have been granted only the income tax holiday (“ITH”) may continue availing of the ITH for the remaining period of the ITH as specified in the terms and conditions of their registration;
2. Those that have been granted ITH but have not yet availed of the incentive may use the ITH for the period specified in the terms and conditions of their registration;
3. Those that have been granted ITH and are entitled to the 5% tax on gross income earned may avail of the 5% tax on gross income for 10 years; and
4. Those currently availing of the 5% tax on gross income earned may continue to avail of the said incentive for 10 years.

Therefore, BPO companies, which are PEZA-registered information technology enterprises, may lose the benefit of the 5% special tax on gross income earned (which is imposed in lieu of all national and local taxes, except real property taxes on machineries) after 10 years and may instead be subjected to the regular corporate income tax rate of regular corporations. As a result, BPO companies may find it less feasible to conduct their business in the Philippines, and this may adversely affect the demand for Grade A buildings.

Under package 4 of the CTRP, the Department of Finance reportedly proposes to lower the rate of transaction taxes on land, including documentary stamp tax (“**DST**”), transfer tax and registration fees, centralize and rationalize valuation of properties, increase valuation of properties closer to market prices, review property valuations every three (3) years and adjust accordingly. While package 4 aims to lower the rate of transaction taxes on land, the increase in valuation could lead to an increase in the taxes to be paid by the Company.

Moreover, the Department of Finance issued Revenue Regulations No. 9-2021 (“**RR 9-2021**”), which imposed 12% VAT on transactions which were previously taxed at 0% VAT. This covers, among others, those considered export sales under Executive Order No. 226, otherwise known as the Omnibus Investments Code of 1997, and other special laws under Section 106(A)(2)(a)(5) of the Tax Code, as well as the sale of services and the use or lease of properties under subparagraphs (1) and (5) of Section 108(B) of the Tax Code.

RR 9-2021 implements the imposition of 12% VAT on certain transactions that were previously taxed at 0% VAT after satisfaction of the conditions set forth in the TRAIN Law. Following the issuance of RR 9-2021, suppliers started imposing 12% VAT on their sale of goods and/or services to export-oriented enterprises such as BPO companies, including lease rentals and utilities. The PEZA issued a letter dated July 6, 2021 stating its position that RR 9-2021 is contrary to the provisions of the CREATE Act, as well as the separate customs territory principle provided under Republic Act No. 7916 or the PEZA Law and Philippine jurisprudence. The PEZA requested the Department of Finance and the BIR to defer the implementation of RR 9-2021. On July 21, 2021, the Department of Finance issued Revenue Regulations No. 15-2021, deferring the implementation of RR 9-2021 until the issuance of amendatory revenue regulations.

On December 7, 2021, the Department of Finance issued Revenue Regulations No. 21-2021 (“**RR 21-2021**”) to implement Sections 294 (E) and 295 (D) of the CREATE Act. RR 21-2021 provides that the VAT exemption on importation and VAT zero-rating on local purchases shall only apply to goods and services directly and exclusively used in the registered project or activity of a registered export enterprise, for a maximum period of 17 years from the date of registration, unless otherwise extended under the Strategic Investments Priority Plan. It also provides that sales to existing registered export enterprises located inside ecozones and freeport zones shall also be qualified for VAT zero-rating until the expiration of the transitory period.



On March 9, 2022, the BIR issued Revenue Memorandum Circular No. 24-2022 (“**RMC 24-2022**”) to clarify the transitory provisions under RR 21-2021 and certain issues pertaining to the effectivity and VAT treatment of transactions by registered business enterprises particularly the registered export enterprises. RMC 24-2022 clarified, among others, that sale of goods or services to existing registered non-export enterprises located inside the ecozones or freeport zones shall be subject to 12% VAT.

These tax reforms may affect the overall competitiveness of doing business in the Philippines, thereby affecting the number of prospective tenants or companies that wish to continue their operations in the country. Implementation of tax reforms may affect overall demand for leasing spaces in the Philippines, including that for the Company’s properties. It may also prompt existing BPO tenants to cease their operations in the Philippines, and terminate or not renew their leases with the Company. Any of these events may have a material and adverse effect on the Company’s business, results of operations and financial condition.

Under the REIT Law, REIT companies are allowed to claim the dividend distributions as deductible expense for income tax purposes, which can result to zero corporate income tax payable. FLI owns 63.3% of FILRT.

The Company continues to monitor all tax developments to anticipate their potential effects on operations and in order to be able to plan accordingly.

**A domestic asset price bubble could adversely affect the Company’s business.**

One of the risks inherent in any real estate property market is the possibility of an asset price bubble. This occurs when there is a gross imbalance between the supply and demand in the property market, causing an unusual increase in asset prices, followed by a drastic drop in prices when the bubble bursts. In the Philippines, the growth of the real estate sector is mainly driven by low interest rates, robust remittances from Overseas Filipino Workers, and the continued growth of the Business Process Outsourcing sector and Knowledge Process Outsourcing sector.

The Company believes that the Philippine property sector is adequately protected against a domestic asset price bubble burst. The country has a very young demographic profile benefitting from rising disposable income. It likewise remains to be one of the fastest growing emerging economies in the Asia Pacific region, registering Gross Domestic Product growth rates of 5.6%% in 2021, 7.6% in 2022, 5.6% in 2023 and 5.6% in 2024, and the growth in the property sector is largely supported by infrastructure investments from both the public and private sectors and strong macroeconomic fundamentals.

There can be no assurance however, that the Philippines will achieve strong economic fundamentals in the future. Changes in the conditions of the Philippine economy could materially and adversely affect the Company’s business, financial condition and results of operations. The Company has a planning process that provides for alternatives when conditions change that enables it to adjust its plans.

**The Company is largely dependent on third-party brokers to sell their residential housing and land development projects and to lease their commercial and office properties.**

While the Company has continuously grown its in-house sales team, FLI also relies on third-party brokers to market and sell their residential housing and land development projects and to lease their commercial and office properties to potential customers inside and outside of the Philippines. These brokers may also act as brokers for other developers in the same markets in which the Company operates, and there can be no assurance that they will not favor the interests of their other clients over the interests of the Company in lease or sale opportunities, or otherwise act in the best interests of the Company. The Real Estate Service Act of the Philippines (“**RA 9646**”) was signed into law on June 29, 2009. RA 9646 strictly regulates the practice of real estate brokers by requiring licensure examinations and attendance in continuing professional education programs. Thus, there is competition for the services of third-party brokers in the Philippines, and many of the Company’s competitors either use the same brokers as the Company or attempt to recruit brokers away from the Company. If a large number of these third-party brokers were to

terminate or breach their brokerage agreements, the Company would be required to seek other external brokers, and there can be no assurance that the Company could do so quickly or in sufficient numbers. This could disrupt the Company's business and negatively affect its financial condition, results of operations and prospects. To minimize this risk, the Company has a wide network of sellers including exclusive and non-exclusive brokers.

**Infringement of the Company's intellectual property rights in relation to its real property business could have a material adverse effect on the Company's operations.**

The Company has registered with the IPO a variety of marks including "FILINVEST LAND, INC," and the Filinvest logo. Generally, the registrations of these marks and/or trademarks are effective for a period of ten years from the date of the original registrations and may be renewed for periods of ten years at their expiration upon the filing of appropriate requests with the IPO. There can be no assurance that any renewal applications or applications to register other marks will be approved or that the actions the Company has taken will be adequate to prevent third parties from using the "Filinvest" name or Filinvest Company corporate brands and logos or from naming their products using the same brands the Filinvest Company uses. In addition, there can be no assurance that third parties will not assert rights in, or ownership of, the Filinvest Company name, trademarks and other intellectual property rights. Because the Company believes that the reputation and track record it has established under the "Filinvest" and "FLI" names are key to its future growth, the Company's business, financial condition and results of operations may be materially and adversely affected by the unauthorized use of these names and of any associated trademarks by third parties or if the Company were restricted from using such marks.

**Certain residential real estate customers of the Company rely on financing from Government-mandated funds, which may not always be available.**

The residential housing industry in the Philippines has been and continues to be characterized by a significant shortage of mortgage financing, particularly in the low-cost housing sector. For example, a significant portion of the financing for purchases of socialized housing projects is provided by Government-sponsored housing funds such as the Pag-IBIG Fund, which is financed primarily through mandatory contributions from the gross wages of workers and the amount of funding available and the level of mortgage financing from these sources is limited and may vary from year to year. The Company depends on the availability of mortgage financing provided by these Government-mandated funds for substantially all of its socialized housing sales, which represented 3.0% of the Company's total real estate sales for 2023 and 4.4% of the Company's total real estate sales for 2024. In the event potential buyers of socialized housing products are unable to obtain financing from these Government-mandated funds, this could result in reduced sales for these products and, in turn, could have a material adverse effect on the Company's business, financial condition and results of operations. The Company continues to tap banks to finance the purchases of buyers to ensure financing is always available.

## **RISKS RELATING TO THE PHILIPPINES**

**Substantially all of the Company's business activities are conducted in the Philippines and all of its assets are located in the Philippines, which exposes the Company to risks associated with the Philippines, including the performance of the Philippine economy.**

Historically, the Company's results of operations have been influenced, and will continue to be influenced, to a significant degree by the general state of the Philippine economy and as a result, its income and results of operations depend, to a significant extent, on the performance of the Philippine economy. Although the Philippine economy has experienced strong GDP growth in recent years prior to 2020, the stronger U.S. dollar, rising global interest rates and higher commodity prices may cause domestic inflation to increase and have an adverse impact on the future growth of the Philippine economy, which has previously experienced periods of slow or negative growth, high inflation, significant depreciation of the peso and the imposition of exchange controls.

Philippine GDP grew by 4.4% y-on-y in 2025, below the government's 5.5% to 6.5% target, as investment and construction activity softened. Department of Economy, Planning, and Development (DEPDev) Secretary Arsenio Balisacan noted that the flood control corruption issue and subsequent investigations weighed on short-term growth, though he emphasized that the resulting governance reforms should help strengthen accountability, improve project quality, and support more sustainable long-term growth. On the expenditure side, growth was dragged by the 2.1% y-o-y contraction in Gross Capital Formation (GCF), reflecting weaker investment activity. The Industry sector also decelerated by 1.5% y-o-y, amid the slowdown in construction (-0.2% y-o-y).

Demand for, and the prevailing prices of, developed land and house, lot and condominium units are directly related to the strength of the Philippine economy (including overall growth levels and interest rates), the overall levels of business activity in the Philippines and the amount of remittances received from OFWs. Demand for FLI's housing and land developments is also affected by social trends and changing spending patterns in the Philippines, which in turn are influenced by economic, political and security conditions in the Philippines. The Philippine residential housing industry is cyclical and is sensitive to changes in general economic conditions in the Philippines such as levels of employment, consumer confidence and income, availability of financing for property acquisitions, construction and mortgages, interest rate levels, inflation and demand for housing.

There is no assurance that the Philippines and other countries in Asia will not experience future economic downturns. The Philippine and Asian economies may be adversely affected by various factors, including:

- decreases in business, industrial, manufacturing or financial activity in the Philippines, in Asia or globally;
- scarcity of credit or other financing, resulting in lower demand for products and services provided by companies in the Philippines or in the Asian or global markets;
- exchange rate fluctuations;
- a prolonged period of inflation or increase in interest rates;
- changes in the taxation policies and laws; and
- other regulatory, political or economic developments in or affecting the Philippines and other Asian countries.

Any deterioration in economic and political conditions in the Philippines or elsewhere in Asia could materially and adversely affect the Company's business, prospects, financial condition and results of operations.

**Volatility in the value of the Peso against the U.S. dollar and other currencies as well as in the global financial and capital markets could adversely affect the Company's businesses.**

The Philippine economy has experienced volatility in the value of the Peso as well as limitations to the availability of foreign exchange. In July 1997, the BSP announced that the Peso can be traded and valued freely on the market. As a result, the value of the Peso underwent significant fluctuations between July 1997 and December 2004 and the Peso declined from approximately ₱29.00 to U.S.\$1.00 in July 1997 to ₱56.18 to U.S.\$1.00 by December 2004.

The valuation of the Peso may be adversely affected by certain events and circumstances such as the strengthening of the U.S. economy, the rise of the interest rates in the U.S. and other events affecting the global markets or the Philippines, causing investors to move their investment portfolios from the riskier emerging markets such as the Philippines to "safe havens."

Consequently, an outflow of funds and capital from the Philippines may occur and may result in increasing volatility in the value of the Peso against the U.S. Dollar and other currencies. As of February

18, 2025, according to BSP data, the Peso has depreciated 0.52% to ₱58.15 per U.S. \$1.00 from ₱57.85 per U.S. \$1.00 for the period ended December 31, 2024. As of the period ended December 31, 2025, the Peso has depreciated by 1.8% to ₱58.98.

**The Company's hospitality business will depend substantially on revenues from local travelers and foreign visitors and may be disrupted by events that reduce local or foreign visitors' willingness to travel to or in the Philippines and raise substantial concerns about visitors' personal safety.**

The Philippines has been subject to a number of terrorist attacks in recent years. The Philippine army has been in conflict with the Abu Sayyaf organization, which has ties to the al-Qaeda terrorist network, and has been identified as being responsible for certain kidnapping incidents and other terrorist activities particularly in the southern part of the Philippines. There have also been isolated bombings in the Philippines, mainly in regions in the southern part of the Philippines, such as the province of Maguindanao. In May 2017, members of the "Maute Company", a local terrorist Company with alleged allegiances to the Islamic State of Iraq and Syria, attacked Marawi City in Lanao del Sur, leading to clashes with Government troops. The attacks on Marawi City prompted President Duterte to declare martial law and suspend the writ of habeas corpus over the whole island of Mindanao. Based on news reports, up to 600,000 residents of Marawi City and nearby towns have been displaced as a result of the ongoing clashes between the Maute Company and Government troops. An increase in the frequency, severity or geographic reach of these terrorist acts could destabilize the Philippines, and adversely affect the country's economy and the Company's business.

Crimes also remain a serious risk in many parts of the Philippines with illegal drug trade, human trafficking, murder, theft, robberies and violent assaults occur sporadically. Kidnapping is likewise a real threat in the country, with kidnap-for-ransom companies targeting both locals and foreigners especially in the country's restive areas.

The Philippines has also experienced a number of major natural catastrophes over the years, including typhoons, droughts, volcanic eruptions and earthquakes, including a 6.3 magnitude earthquake in April 2019, as well as outbreaks of infectious diseases, such as Severe Acute Respiratory Syndrome (SARS) in 2003 and the Coronavirus in 2019. In December 2019, an outbreak of the novel coronavirus ("COVID-19") occurred in China and spread to other countries, including the Philippines.

**Political or social instability in the Philippines could destabilize the country and may have a negative effect on the Company.**

The Philippines has from time to time experienced severe political and social instability. The Philippine Constitution provides that, in times of national emergency, when the public interest so requires, the Government may take over and direct the operation of any privately owned public utility or business. In the last few years, there were instances of political instability, including public and military protests arising from alleged misconduct by the previous administration.

The Philippines' political landscape in recent years has been marked by a series of destabilizing events involving high-level officials, legal controversies, corruption allegations, geopolitical disputes, and public demonstrations. These developments create an environment of unpredictability that may influence regulatory behavior, investor confidence, and the operating climate for real estate companies such as Filinvest Land. The following summarizes the key events and their implications:

**1. Leadership Friction and High-Level Political Conflict**

Growing tensions between major political leaders—particularly between President Ferdinand Marcos Jr. and Vice President Sara Duterte—have contributed to heightened political uncertainty. The Vice President's resignation as Secretary of Education in June 2024, citing alleged threats against her life, intensified public speculation and widened political fault lines. Subsequent impeachment attempts, including a 2025 complaint dismissed by the Supreme Court, reinforced public perceptions of political volatility. The House of Representatives subsequently voted to impeach the Vice President; however, on July 25, 2025, the Supreme Court declared the Articles of Impeachment unconstitutional for violating the Constitution's one-year rule and due process requirements.

This sustained friction among top officials increases the likelihood of policy reversals, shifting alliances, and inconsistent governance priorities, all of which may affect regulatory bodies overseeing public utilities.

**2. Arrest of Former President Duterte and Public Polarization**

In March 2025, former President Rodrigo Duterte was arrested and transferred to the International Criminal Court in The Hague on charges of crimes against humanity. This unprecedented development ignited nationwide polarization, with supporters staging mass protests and critics emphasizing the rule of law. He was transferred to the ICC in The Hague, where he awaits trial.

The arrest of a former head of state is extremely rare in Philippine history and signals deepening institutional and political fractures. Such polarization can influence how government agencies operate, how Congress approaches regulatory oversight, and how the public responds to service disruptions or major infrastructure issues.

**3. Corruption Scandals and Loss of Public Trust**

Allegations of corruption involving flood control projects, with reported losses of up to ₱118 billion between 2023 and 2025—have also prompted government investigations and public protests, contributing to perceptions of political uncertainty that may affect investor confidence which further weakened public confidence in government agencies. Investigations revealed “ghost projects” and irregularities linked to at least 15 contractors. Public outrage led to street protests and amplified scrutiny of major infrastructure and public-service sectors.

**The Company's land and real property may be subject to compulsory acquisition or expropriation proceedings undertaken by the Government.**

The Government, by virtue of the sovereign power of eminent domain, has the authority to acquire any private property in the Philippines for public benefit or use or any other public interest upon due process of law and payment of just compensation. Thus, the Company may be subject to a reduction or loss of property in its land holdings in the event that the Government undertakes expropriation proceedings. The payment of just compensation may also be less than the market value of the relevant property, and may thus adversely affect the Company's business.

**Corporate governance and accounting and financial disclosure standards for public companies listed in the Philippines may differ from those in other countries.**

There may be less publicly available information about Philippine public companies, including FLI, than is regularly made available by public companies in other countries. In addition, although the Company complies with the requirements of the SEC with respect to corporate governance standards, these standards may differ from those applicable in other jurisdictions. The SEC considers as best practice for public companies such as FLI, to have at least three (3) independent directors, or such number as to constitute one-third of the board whichever is higher. While FLI has adopted the recommended best practices of the SEC and is in compliance with Philippine laws, rules and regulations, a greater number of independent directors may be required in other jurisdictions.

**Changes in foreign exchange control regulations in the Philippines may limit the Company's access to foreign currency.**

Under BSP regulations, as a general rule, Philippine residents may freely dispose of their foreign exchange receipts and foreign currencies may be freely sold and purchased outside the Philippine banking system. There are restrictions on the sale and purchase of foreign currencies within the Philippine banking system. In particular, a foreign investment must be registered with the BSP if foreign exchange is needed to service the repatriation of capital and the remittance of dividends, profits and earnings which accrue thereon, and if such foreign currency is sourced from the Philippine banking system. See "*Philippine Foreign Exchange and Foreign Ownership Controls*."

The Government has, in the past, instituted restrictions on the conversion of Pesos into foreign currency and the use of foreign exchange received by Philippine residents to pay foreign currency-denominated obligations. The Monetary Board, with the approval of the President of the Philippines, has statutory authority during a foreign exchange crisis or in times of national emergency to suspend temporarily or restrict sales of foreign exchange, to require licensing of foreign exchange transactions or to require delivery of foreign exchange to BSP or its designee. The Company is not aware of any pending proposals by the Government relating to such restrictions. The Government has from time to time made public pronouncements of a policy not to impose restrictions on foreign exchange. Any restrictions imposed in the future pursuant to such statutory authority could adversely affect the ability of the Company to source foreign currency to comply with its foreign currency-denominated obligations.

**The sovereign credit ratings of the Philippines may adversely affect the Company's business.**

Historically, the Philippines' sovereign debt has been rated non-investment grade by international credit rating agencies. In 2019, the Philippines' long-term foreign currency-denominated debt was upgraded by S&P Global ("**S&P**"), to BBB+ with stable outlook. Fitch Ratings ("**Fitch**"), and Moody's Investors Service ("**Moody's**"), affirmed the Philippines' long-term foreign currency-denominated debt to the investment-grade rating of BBB and Baa2, respectively, with a stable outlook. On February 28, 2020, Fitch revised its rating of Philippines long-term foreign currency-denominated debt to BBB, with a positive outlook, following its expectation that sound macroeconomic management will continue to support high growth rates with stable inflation while ongoing tax reforms were expected to improve fiscal finances. On May 7, 2020, Fitch affirmed its rating of Philippines long-term foreign currency-

denominated debt to BBB, but revised the outlook to stable, to reflect the deterioration in the Philippines' near-term macroeconomic and fiscal outlook as a result of the impact of the COVID-19 pandemic and domestic lockdown to contain the spread of the virus. In May 2020, S&P and Moody's affirmed its rating of BBB+ and Baa2, with stable outlook, respectively, for the Philippines' long-term foreign currency-denominated debt. In February 2022, Fitch once again affirmed its credit rating for the Philippines but revised its outlook from stable to negative. In 2025, the Philippines maintained its investment-grade standing across all major credit rating agencies, reflecting continued confidence in the country's economic resilience, fiscal management, and medium-term growth prospects. **Fitch Ratings** affirmed the Philippines' **BBB** rating with a **Stable** outlook in its April 29, 2025 review, highlighting strong medium-term growth, a gradual reduction in the debt-to-GDP ratio, and the sustained credibility of the Bangko Sentral ng Pilipinas' inflation-targeting framework. Fitch noted that economic expansion is expected to reach **5.6% in 2025**, supported by infrastructure spending, resilient consumption, and easing inflation pressures, while acknowledging risks related to political uncertainty and global trade tensions. Similarly, **Moody's Ratings** reaffirmed the country's **Baa2** rating with a **Stable** outlook during its periodic review completed on August 21, 2025. The credit watcher emphasized the Philippines' strong access to both domestic and international financing markets, underpinned by **ample foreign-currency reserves of US\$105.4 billion**—sufficient to cover 7.2 months of imports—and a steady growth performance driven by household consumption, remittances, and public investment. Moody's also acknowledged ongoing structural reforms and fiscal consolidation efforts, while cautioning about downside risks such as elevated borrowing costs, exposure to climate--related shocks, and uncertainties arising from global trade tensions.

Meanwhile, **S&P Global Ratings** affirmed its **BBB+** long-term and **A-2** short-term sovereign ratings for the Philippines in its November 27, 2025 report, maintaining a **Positive** outlook. S&P cited the country's sustained economic recovery, strong external position, and improving fiscal performance as key strengths that could potentially lead to an upgrade within 24 months. The agency emphasized that continued growth momentum, coupled with reforms supporting a competitive investment climate, reinforces the Philippines' capacity to uphold its investment-grade profile. However, S&P also flagged risks such as persistent current account deficits and fiscal pressures, although it noted that political events—including nationwide protests—were unlikely to escalate into instability or derail policy direction.

Overall, the 2025 assessments reflect broad consensus among major international rating agencies that the Philippines remains on a stable economic footing, with strong external buffers, resilient growth fundamentals, and sustained investor confidence—even amid global uncertainties.

The Philippine Government's credit ratings directly affect companies domiciled in the Philippines as international credit rating agencies issue credit ratings by reference to that of the sovereign. No assurance can be given that Fitch, Moody's, S&P, or any other international credit rating agency will not downgrade the credit ratings of the Philippine Government in the future and, therefore, Philippine companies. Any such downgrade could have a material adverse impact on the liquidity in the Philippine financial markets, the ability of the Philippine Government and Philippine companies, including the Company, to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available.

### **Territorial disputes with China and a number of Southeast Asian countries may disrupt the Philippine economy and business environment.**

The Philippines, China and several Southeast Asian nations have been engaged in a series of long-standing territorial disputes over certain islands in the West Philippine Sea, also known as the South China Sea. The Philippines maintains that its claim over the disputed territories is supported by recognized principles of international law consistent with the United Nations Convention on the Law of the Sea ("UNCLOS"). The Philippines made several efforts during the course of 2011 and 2012 to establish a framework for resolving these disputes, calling for multilateral talks to delineate territorial rights and establish a framework for resolving disputes.

Despite efforts to reach a compromise, a dispute arose between the Philippines and China over a company of small islands and reefs known as the Scarborough Shoal. In April and May 2012, the Philippines

and China accused each other of deploying vessels to the shoal in an attempt to take control of the area, and both sides unilaterally imposed fishing bans at the shoal later that year. These actions threatened to disrupt trade and other ties between the two (2) countries, including a temporary ban by China on Philippine banana imports, as well as a temporary suspension of tours to the Philippines by Chinese travel agencies. Since July 2012, Chinese vessels have reportedly turned away Philippine fishing boats attempting to enter the shoal, and the Philippines has continued to protest China's presence there. In January 2013, the Philippines sent notice to the Chinese embassy in Manila that it intended to seek international arbitration to resolve the dispute under UNCLOS. China has rejected and returned the notice sent by the Philippines to initiate arbitral proceedings.

In September 2013, the Permanent Court of Arbitration in The Hague, Netherlands issued rules of procedure and initial timetable for the arbitration in which it will act as a registry of the proceedings. Should these territorial disputes continue or escalate further, the Philippines and its economy may be disrupted and the operations of the Company could be adversely affected as a result. In particular, further disputes between the Philippines and China may lead both countries to impose trade restrictions on the other's imports. On July 12, 2016, the five-member Arbitral Tribunal at the Permanent Court of Arbitration in The Hague, Netherlands (the "**Tribunal**"), unanimously ruled in favor of the Philippines on the maritime dispute over the West Philippine Sea. The Tribunal's landmark decision contained several rulings, foremost of which invalidated China's "nine-dash line", or China's alleged historical boundary covering about 85% of the South China Sea, including 80% of the Philippines Exclusive Economic Zone in the West Philippine Sea. China rejected the ruling, saying that it did not participate in the proceedings for the reason that the court had no jurisdiction over the case.

Notwithstanding the favorable decision of the Tribunal, tensions over the West Philippine Sea continue to run high. Should territorial dispute continue to escalate, the Philippines and its economy may be affected, which in turn

Any such impact from these disputes could adversely affect the Philippine economy, and materially and adversely affect the Company's business, financial condition and results of operations.



## **Item 2. PROPERTIES**

### **2.1. Land Bank**

Since its incorporation, the Parent Company has invested in properties situated in what the Parent Company believes are prime locations across the Philippines for existing and future housing and land development projects. It is important for the Parent Company to have access to a steady supply of land for future projects. In addition to directly acquiring land for future projects, the Parent Company has also adopted a strategy of entering into joint venture arrangements with landowners for the development of raw land into future project sites for housing and land development projects. This allows FLI to reduce its capital expenditures for land and substantially reduces the financial holding costs resulting from owning land for development.

Under the joint venture agreements, the joint venture partner contributes the land free from any lien, encumbrance, tenants or informal settlers and the Parent Company undertakes the development and marketing of the products. The joint venture partner is allocated either the developed lots or the proceeds from the sales of the units based on pre-agreed distribution ratio.

Potential land acquisitions and participation in joint venture projects are evaluated against a number of criteria, including the attractiveness of the acquisition price relative to the market, the suitability or the technical feasibility of the planned development. The Parent Company identifies land acquisitions and joint venture opportunities through active search and referrals.

As of December 31, 2025, the Parent Company had a land bank of approximately 1,775 hectares of raw land for the development of its various projects, including approximately 196.5 hectares of land under joint venture agreements, which the Parent Company's management believes is sufficient to sustain several years of development and sales.

Details of the Parent Company's raw land inventory as of December 31, 2025 are set out in the table below:

| FLI Land Bank as of December 31, 2025 |                |                     |                |               |
|---------------------------------------|----------------|---------------------|----------------|---------------|
| In Hectares                           |                |                     |                |               |
| Location                              | Company Owned  | Under Joint Venture | Total          | % to Total    |
| <b>Luzon</b>                          |                |                     |                |               |
| Metro Manila                          | 30.5           | -                   | 30.5           | 1.7%          |
| Rizal                                 | 691.9          | 9.2                 | 701.1          | 39.5%         |
| Bulacan                               | 242.6          | -                   | 242.6          | 13.7%         |
| Pampanga                              | -              | 24.9                | 24.9           | 1.4%          |
| Camarines Sur                         | 0.8            | -                   | 0.8            | 0.0%          |
| Pangasinan                            | 0.3            | -                   | 0.3            | 0.0%          |
| Cavite                                | 286.5          | 58.8                | 345.3          | 19.6%         |
| Laguna                                | 198.8          | 0.7                 | 199.5          | 11.2%         |
| Batangas                              | 45.6           | 42.1                | 87.7           | 4.9%          |
|                                       | <b>1,497.0</b> | <b>135.7</b>        | <b>1,632.7</b> | <b>92.0%</b>  |
| <b>Visayas</b>                        |                |                     |                |               |
| Cebu                                  | 2.2            | 35.7                | 37.9           | 2.1%          |
| Negros Occidental                     | 0.2            | -                   | 0.2            | 0.0%          |
|                                       | <b>2.4</b>     | <b>35.7</b>         | <b>38.1</b>    | <b>2.1%</b>   |
| <b>Mindanao</b>                       |                |                     |                |               |
| Davao                                 | 6.4            | 25.1                | 31.5           | 1.8%          |
| South Cotabato                        | 72.5           | -                   | 72.5           | 4.1%          |
|                                       | <b>78.9</b>    | <b>25.1</b>         | <b>104.0</b>   | <b>5.9%</b>   |
| <b>Total</b>                          | <b>1,578.3</b> | <b>196.5</b>        | <b>1,774.8</b> | <b>100.0%</b> |

In addition to above, FLI has the ff land under a joint development or long-term leasing agreement available to FLI for development:

| Location              | Area in has. | Remarks                   |
|-----------------------|--------------|---------------------------|
| Filinvest Mimosa Plus | 201.6        | Being developed with FDC  |
| New Clark City        | 288.0        | Being developed with BCDA |
| <b>Total</b>          | <b>489.6</b> |                           |

## 2.2. Current Development Projects

The following are the most recently launched projects and projects with new phases and buildings:

| PROJECT                   | LOCATION       |
|---------------------------|----------------|
| <b>HORIZONTAL</b>         |                |
| Amarilyo Crest            | Rizal          |
| Pineview                  | Cavite         |
| Sandia                    | Batangas       |
| Tierra Vista              | Bulacan        |
| The Grove                 | Rizal          |
| Savannah Place            | Cavite         |
| Futura Homes Palm Estates | Bacolod        |
| Futura Homes Mactan       | Cebu           |
| Futura Homes Iloilo       | Iloilo         |
| Futura Homes Koronadal    | South Cotabato |
| Anila Park Residences     | Rizal          |
| Aria at Serra Monte       | Rizal          |
| The Prominence            | Quezon City    |
| Futura Homes Davao        | Davao          |
| New Fields at Manna       | Rizal          |
| Meridian Place            | Cavite         |
| Valle Dulce               | Laguna         |
| Ventura Real              | Rizal          |
| Claremont Expansion       | Pampanga       |
| Southwinds                | Laguna         |
| Futura Zamboanga          | Zamboanga      |
| Enclave                   | Muntinlupa     |
| New Leaf                  | Cavite         |
| Mira Valley               | Rizal          |
| Hampton Orchard           | Pampanga       |
| Futura Mira               | Calamba        |
| Futura Plains             | Rizal          |
| Tropics 4                 | Cainta         |
| New Fields 2 at Manna     | Rizal          |
| Alta Vida 4&5             | Bulacan        |
| Rosewood                  | Cavite         |
| The Arborage C            | Laguna         |
| New Leaf Phase 2          | Cavite         |
| Celestia                  | Rizal          |
| Futura Mira               | Laguna         |
| Futura Primo              | Bataan         |

| PROJECT                  | LOCATION        |
|--------------------------|-----------------|
| <b>MRB</b>               |                 |
| One Oasis Cebu           | Cebu            |
| One Oasis Cagayan de Oro | Cagayan de Oro  |
| Panglao Oasis            | Taguig          |
| One Spatial              | Pasig           |
| San Remo                 | Cebu            |
| Centro Spatial           | Davao           |
| One Spatial Iloilo       | Iloilo          |
| Marina Spatial           | Dumaguete       |
| 8 Spatial                | Davao           |
| Maui Oasis               | Manila          |
| Alta Spatial             | Valenzuela City |
| Bali Oasis               | Pasig           |
| Maldives Oasis           | Davao           |
| Sorrento Oasis           | Pasig           |
| Veranda                  | Davao           |
| Futura East              | Cainta          |
| Futura Centro            | Manila          |
| Belize                   | Muntinlupa      |
| Futura Vinta             | Zamboanga       |
| Futura Monte             | Naga City       |
| Futura One Fora Dagupan  | Pangasinan      |
| Futura Shores            | Dumaguete       |
| Sydney Oasis             | Cavite          |
| Futura Bay Gensan        | South Cotabato  |
| <b>HRB</b>               |                 |
| Activa                   | Quezon City     |
| Levels                   | Alabang         |
| Studio City              | Alabang         |
| Studio N (Block 50)      | Alabang         |
|                          |                 |
| <b>Walkup</b>            |                 |
| Futura Rise              | Iloilo          |

On-going developments of the abovementioned projects are expected to require additional funds but FLI believes that it will have sufficient financial resources for these anticipated requirements, both from debt financing and generation from operations.

## 2.3. Investment Properties

FLI has the following operating strategic investment properties: Festival Supermall, Fora Mall, Main Square Molino, Il Corso, PBCom Tower, 100 West, Northgate Cyberzone, EDSA Wackwack Building, Cebu Cyberzone, Pasay Cyberzone (Bay Area) and Clark Mimosa Cyberzone.

FLI has currently several projects under development that will be rental assets when completed. Please refer to Section 1.5.2 for a detailed discussion of these properties.

## 2.4. Property and Equipment

FLI's corporate headquarters is located along EDSA, Mandaluyong City. FLI is also renting spaces for its sales offices in Quezon City, Rizal, Pampanga, Tarlac, Bulacan, Puerto Princesa City, Davao City, Butuan, Tagum, Cagayan de Oro, and Zamboanga City. The terms of the leases are usually for one year, and thereafter, the terms of the lease shall be on short term basis or upon the option of both parties, a new contract is drawn. The Parent Company does not intend to acquire properties for the next 12 months except as needed in the ordinary course of business.

Part of the PPE of the company are the tractor and equipment being used for construction works under supervision by DPI, and the plant for DCS as owned and operated by its subsidiary PDDC.

## Item 3. LEGAL PROCEEDINGS

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

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

This is a civil action for the declaration of nullity of deeds of conditional and absolute sale of certain real properties located in Tambler, General Santos City, covered by free patents and executed between FLI and the plaintiff's patriarch, Hadiji Gulam Ngilay. The Regional Trial Court ("RTC") of Las Piñas City (Br. 253) decided the case in favor of FLI and upheld the sale of the properties. On appeal, the Court of Appeals ("CA") rendered a decision partly favorable to FLI but nullified the sale of some properties involved. FLI filed a petition for review on certiorari to question that portion of the decision declaring as void the deeds of sale of properties covered by patents issued in 1991. The Supreme Court ("SC") affirmed the decision of the CA but declared with finality that FLI's purchase of sales patents issued in 1991 was void and ordered the Ngilays to return P14,000,000.00 to FLI. The RTC issued a Writ of Execution dated 16 February 2015. To satisfy the monetary judgment in favor of FLI, four parcels of land owned by the Ngilays and covered by Transfer Certificates of Title ("TCT") Nos. P-6886, 147-201005034, 147-2014000465, and 147-2014000468, were levied on execution and sold at public auction to FLI as highest bidder. The Sheriff's Certificate of Sale over the properties was registered with the Registry of Deeds of General Santos City. FLI filed a motion for the surrender of the certificates of titles of the Ngilays so that FLI's affidavit of consolidation of ownership can be annotated on the titles and new certificates of title will be issued in FLI's name. This motion was partially granted; 3 titles, namely Transfer Certificates of Title ("TCT") Nos. 147-2014005034, 147-2014000465, and 147-2014000468, are surrendered to the Register of Deeds of General Santos City. But the sale by the Sheriff of the property covered by TCT No. P-6886 was declared invalid, because the sale of the property covered by said title was not one of the sales previously declared by the SC as invalid. The Sheriff was ordered to look for another property of Ngilay for execution and to issue an amended certificate of sale for the three (3) Ngilay properties in favor of FLI. We are awaiting the Court's issuance of an order approving the amended certificate of sale along with the resolution of the Court on Moner Ngilay's Motion to Exclude his property from execution, with FLI's opposition already filed. The court granted FLI's motions and

ordered the Deputy Sheriff of the Regional Trial Court, Branch 253 of Las Piñas City, to amend the Certificate of Sale in accordance with the Order dated June 1, 2018 while Moner Ngilay's Motion to Exclude his property from execution was denied.

*b) Republic of the Philippines vs. Rolando Pascual, et al.,  
Civil Case No. 7059*

*RTC General Santos Branch 36 (On appeal by the Republic to the Court of Appeals)*

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

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

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

On October 28, 2025, the Court of Appeals issued a resolution noting the letter dated June 4, 2025 filed by Minerva V. Casanova, Postal Service Officer I, Chief, Admin/Records Unit of Philippine Postal Corporation-Quezon City, which was filed pursuant to the May 5, 2025 Minute Resolution, and directing the Office of the Solicitor General why it should not be cited in contempt of court within ten (10) days from receipt thereof for failure to comply with the directive of the Court of Appeals to file a comment/compliance, among others.

#### **Item 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS**

Except for the matters taken up during the 2025 Annual Meeting of Stockholders, there was no matter which was submitted to a vote of security holders in 2025.

## Part II – OPERATIONAL AND FINANCIAL INFORMATION

### Item 5. MARKET FOR ISSUER’S COMMON EQUITY & RELATED STOCKHOLDER MATTERS

The shares of the Company were listed on the Philippine Stock Exchange (PSE) in 1993 under the symbol “FLI”. The following table shows, for the periods indicated, the high, low, and period end closing prices of the shares as reported in the PSE.

| Period |             | High | Low  | End  |
|--------|-------------|------|------|------|
| 2025   | 4th Quarter | 0.83 | 0.73 | 0.77 |
|        | 3rd Quarter | 0.86 | 0.77 | 0.82 |
|        | 2nd Quarter | 0.80 | 0.70 | 0.78 |
|        | 1st Quarter | 0.76 | 0.69 | 0.74 |
| 2024   | 4th Quarter | 0.83 | 0.66 | 0.73 |
|        | 3rd Quarter | 0.83 | 0.62 | 0.81 |
|        | 2nd Quarter | 0.74 | 0.65 | 0.68 |
|        | 1st Quarter | 0.72 | 0.60 | 0.68 |
| 2023   | 4th Quarter | 0.64 | 0.54 | 0.59 |
|        | 3rd Quarter | 0.71 | 0.62 | 0.64 |
|        | 2nd Quarter | 0.81 | 0.66 | 0.70 |
|        | 1st Quarter | 0.92 | 0.70 | 0.75 |

On December 29, 2025, FLI's shares closed at the price of Php0.77 per share. The number of shareholders of record as of December 31, 2025 was 5,556. Common shares outstanding as of December 31, 2025 is 22,383,759,506.

The top 20 Stockholders of FLI's common shares as of 31 December 2025 are as follows:

| <u>NAME</u>                                          | <u>NO. OF<br/>SHARES</u> | <u>% OF TOTAL</u> |
|------------------------------------------------------|--------------------------|-------------------|
| 1. Filinvest Development Corporation                 | 15,926,610,981           | 71.15%            |
| 2. PCD Nominee Corporation (Filipino)                | 3,298,873,788            | 14.74%            |
| 3. PCD Nominee Corporation (Non-Filipino)            | 1,878,047,819            | 8.39%             |
| 4. Pryce Corporation                                 | 335,892,572              | 1.50%             |
| 5. Josefina Multi-Ventures Corporation               | 316,748,375              | 1.42%             |
| 6. PGI Retirement Fund Inc.                          | 200,602,871              | 0.90%             |
| 7. Pryce Gases Inc.                                  | 79,195,505               | 0.35%             |
| 8. Don Manuel Investments Corporation                | 70,913,156               | 0.32%             |
| 4. Philippines International Life Insurance Co. Inc. | 60,000,000               | 0.27%             |
| 5. Michael Gotianun                                  | 11,235,913               | 0.05%             |
| 11. Lucio W. Yan &/or Clara Y. Yan                   | 10,687,500               | 0.05%             |
| 12. Gillian Cindy Te                                 | 8,000,000                | 0.04%             |
| 13. Executive Optical Inc.                           | 5,040,647                | 0.02%             |
| 14. Jonathan Dee Co                                  | 5,000,000                | 0.02%             |
| 15. R Magdalena Bosch                                | 4,877,928                | 0.02%             |
| 16. Luis L. Fernandez                                | 4,064,940                | 0.02%             |
| 17. Luis Rodrigo P. Fernandez                        | 4,064,940                | 0.02%             |
| 18. Enrique P. Fernandez                             | 4,064,940                | 0.02%             |
| 19. Veronica P. Fernandez                            | 4,064,940                | 0.02%             |
| 20. Carlo Bernardo P. Fernandez                      | 4,064,940                | 0.02%             |

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

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

#### **Recent Sale of Unregistered Securities**

No securities were sold by FLI in the past three (3) years which were not registered under the Code.

#### **Declaration of Dividends**

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

In 2025, FLI declared cash dividends to all stockholders of record as of 14 May 2025 in the amount of ₱0.05 per common share and ₱0.0005 per preferred share. Payment date was set on 23 May 2025. The cash dividends were paid within thirty (30) days after its declaration date and approval.

In 2024, FLI declared cash dividends to all stockholders of record as of 13 May 2024 in the amount of

₱0.05 per common share and ₱0.0005 per preferred share. Payment date was set on 05 June 2024.

In 2024, FLI declared cash dividends to all stockholders of record as of 13 May 2024 in the amount of ₱0.05 per common share and ₱0.0005 per preferred share. Payment date was set on 05 June 2024.

In 2023, FLI declared cash dividends to all stockholders of record as of 12 May 2023 in the amount of ₱0.036 per common share and ₱0.00036 per preferred share. Payment date was set on 06 June 2023.

## **Item 6. BOND ISSUANCES**

On March 12, 2025, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱12.00 billion comprising of ₱6.79 billion, 5-year fixed rate bonds due in 2030, ₱2.66 billion, 7-year fixed rate bonds due in 2032, and ₱2.55 billion, 10-year fixed rate bonds due in 2035. As of December 31, 2025, ₱12.00 billion of these bonds payable remain outstanding.

On December 1, 2023, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.43 billion which are 3.5-year fixed rate bonds due in 2027. The bonds carry a fixed rate of 6.9829% per annum. As of December 31, 2025, ₱11.43 billion of these bonds payable remain outstanding.

On June 23, 2022, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.90 billion comprising of ₱8.925 billion, 3-year fixed rate bonds due in 2025 and ₱2.975 billion, 5-year fixed rate bonds due in 2027. The 3-year bonds carry a fixed rate of 5.3455% per annum, while the 5-year bonds have a fixed rate of 6.4146% per annum. As of December 31, 2025, ₱2.98 billion of these bonds payable remain outstanding.

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

On November 18, 2020, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.1 billion comprising of ₱6.3 billion, 3-year fixed rate bonds due in 2023 and ₱1.8 billion, 5.5-year fixed rate bonds due in 2026. The 3-year bonds carry a fixed rate of 3.34% per annum, while the 5.5-year bonds have a fixed rate of 4.18% per annum. On November 18, 2023, the Parent Company paid ₱6.3 billion of the outstanding bonds payable. As of December 31, 2025, ₱1.8 billion of the related bonds payable remain outstanding.

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

On August 20, 2015, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.00 billion comprising of ₱7.00 billion, 7-year fixed rate bonds due in 2022 and ₱1.00 billion, 10-year fixed rate bonds due in 2025. The 7-year bonds carry a fixed rate of 5.36% per annum, while the 10-year bonds have a fixed rate of 5.71% per annum. The Parent Company paid the ₱7.0 billion bonds on August 20, 2022. As of December 31, 2025, the related bonds payable have no outstanding balance.

On December 4, 2014, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱7.00 billion comprising of ₱5.30 billion, 7-year fixed rate bonds due in 2021 and ₱1.70 billion, 10-year fixed rate bonds due in 2024. The 7-year bonds carry a fixed rate of 5.40% per annum, while the 10-year bonds have a fixed interest rate of 5.64% per annum. As of December 31, 2025, the related bonds payable have no outstanding balance.



On November 8, 2013, the Parent Company issued fixed rate bonds with aggregate principal amount of ₱7.00 billion comprised of ₱4.30 billion, 7-year bonds with interest of 4.86% per annum due in 2020 and ₱2.70 billion, 10-year bonds with interest of 5.43% per annum due in 2023. Interest for both bonds is payable quarterly in arrears starting on February 8, 2014. As of December 31, 2025, the related bonds payable have no outstanding balance.

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

## Item 7. MANAGEMENT DISCUSSION AND ANALYSIS AND PLAN OF OPERATION

### Plan of Operations for 2026

In terms of real property trading business segment, FLI's business strategy has placed emphasis on the development and sale of residential lots and housing units mainly to lower and middle-income markets which accounts for approximately 50% of total demand throughout the Philippines as its core. This business segment includes landed housing, medium-rise buildings (MRB) and high-rise condominium projects, residential farm estates, entrepreneurial communities, and leisure developments in response to the demands of the Philippine market.

For 2026, FLI intends to launch approximately P9.3 billion worth of projects depending on market conditions, and to focus on selling RFO inventory. FLI projects are geographically diversified and can be found in 22 provinces across the country. FLI also focuses on projects that have short construction periods to minimize construction risks. Home buyers are typically first-time homeowners and ultimate end-users.

As far as the leasing business is concerned, the Parent Company will continue to lease out office and retail spaces. The Company will also focus on leasing out its industrial park in New Clark City.

### Results of operations for the year ended December 31, 2025 compared to year ended December 31, 2024

|                                             | 2025              | 2024       | Change<br>Increase (Decrease) |          |
|---------------------------------------------|-------------------|------------|-------------------------------|----------|
| <b>REVENUE</b>                              |                   |            |                               |          |
| Real Estate Sales                           | <b>₱16,274.02</b> | ₱15,392.76 | ₱881.26                       | 5.73%    |
| Rental and related services                 | <b>8,247.02</b>   | 7,848.09   | 398.93                        | 5.08%    |
| Total revenue                               | <b>24,521.04</b>  | 23,240.85  | 1,280.19                      | 5.51%    |
| <b>EQUITY IN NET EARNINGS OF ASSOCIATES</b> | <b>529.07</b>     | 359.04     | 170.03                        | 47.36%   |
| <b>OTHER INCOME</b>                         |                   |            |                               |          |
| Interest Income                             | <b>357.01</b>     | 319.09     | 37.92                         | 11.88%   |
| Others                                      | <b>491.24</b>     | 526.92     | (35.68)                       | (6.77%)  |
|                                             | <b>25,898.36</b>  | 24,445.90  | 1,452.46                      | 5.94%    |
| <b>COSTS</b>                                |                   |            |                               |          |
| Real Estate Sales                           | <b>7,687.90</b>   | 7,354.90   | 333.00                        | 4.53%    |
| Rental Services                             | <b>3,906.06</b>   | 3,583.37   | 322.69                        | 9.01%    |
| <b>OPERATING EXPENSES</b>                   |                   |            |                               |          |
| General And Administrative Expenses         | <b>3,197.55</b>   | 2,623.35   | 574.20                        | 21.89%   |
| Selling And Marketing Expenses              | <b>1,342.33</b>   | 1,558.16   | (215.83)                      | (13.85%) |
| <b>INTEREST AND OTHER FINANCE CHARGES</b>   | <b>4,077.59</b>   | 3,685.75   | 391.84                        | 10.63%   |
|                                             | <b>20,211.43</b>  | 18,805.53  | 1,405.90                      | 7.48%    |

*Forward*

|                                    |                   |           |            |               |
|------------------------------------|-------------------|-----------|------------|---------------|
| <b>INCOME BEFORE INCOME TAX</b>    | <b>5,686.93</b>   | 5,640.37  | 46.56      | 0.83%         |
| <b>PROVISION FOR INCOME TAX</b>    |                   |           |            |               |
| Current                            | <b>2,143.36</b>   | 72.66     | 2,070.70   | 2,849.76<br>% |
| Deferred                           | <b>(1,264.26)</b> | 931.97    | (2,196.23) | (235.65%)     |
|                                    | <b>879.10</b>     | 1,004.63  | (125.53)   | (12.50%)      |
| <b>NET INCOME</b>                  | <b>₱4,807.83</b>  | ₱4,635.74 | ₱172.09    | 3.71%         |
| <b>NET INCOME ATTRIBUTABLE TO:</b> |                   |           |            |               |
| Equity holders of the parent       | <b>₱4,171.70</b>  | ₱4,168.47 | ₱3.23      | 0.08%         |
| Noncontrolling interest            | <b>636.13</b>     | 467.27    | 168.86     | 36.14%        |
|                                    | <b>₱4,807.83</b>  | ₱4,635.74 | ₱172.09    | 3.71%         |

For the year ended December 31, 2025, FLI's net income from its business segments increased by ₱ 172.09 million or 3.71%, from ₱4,635.74 million in 2024 to ₱4,807.83 million in 2025 primarily due to the growth of the real estate and leasing business segments.

### Revenues and other income

Total consolidated revenues and other income increased by ₱1.45 billion or 5.94% year-on-year from ₱24.45 billion in 2024 to ₱25.90 billion in 2025 due to higher revenues generated from residential, retail and office leasing businesses.

Real estate sales grew by ₱881.26 million or 5.73% compared to prior year, from ₱15.39 billion in 2024 to ₱16.27 billion in 2025 primarily attributed to higher construction percentage of completion achieved during the year. Real estate sales booked during the year broken down by product type are as follows: Medium Income 69.7% (inclusive of MRB and HRB); Affordable and low affordable 17.0%; High-End and others 9.2%; Socialized 4.1%.

Rental and other services improved by ₱398.93 million or 5.08% vs. last year, from ₱7,848.09 million in 2024 to ₱8,247.02 million in 2025. Mall rentals revenue grew by ₱245.37 million or 9.68% driven by increased occupancy levels and escalation rate. On the other hand, the office sector remained stable with an increase of ₱34.89 million or 0.73% despite continuing challenges on account of flexible work arrangements and slow return-to-office set-up. FLI's operations on its co-living or dormitel business in Filinvest Mimosa+ Leisure City contributed ₱259.26 million in revenues with an increase of ₱27.03 million or 11.64% from ₱232.23Mn in 2024. In addition, rental revenue from industrial park in New Clark City, increased by ₱31.84 million or 134.74% from ₱23.63 million in 2024 to ₱55.45 million in 2025.

Equity in net earnings of associates increased by ₱170.03 million or 47.36% year-on-year from ₱359.04 million in 2024 to ₱529.07 million in 2025 due to higher net income reported by FAI and the improvement in operations of Filinvest Mimosa, Pro-Excel and DPI.

Interest income improved by ₱37.92 million or 11.88% compared to prior year, from ₱319.09 million in 2024 to ₱357.01 million in 2025 largely due to interest income derived from short-term investments.

Other income decreased by ₱35.68 million or 6.77 % against last year, from ₱526.92 million in 2024 to ₱491.24 million in 2025 from lower late payment charges, reduced forfeitures of security deposits and decline in management fee.

### Costs and Expenses

Cost of real estate sales increased by ₱333 million or 4.53%, year-on-year from ₱7,354.90 million in 2024 to ₱7,687.90 million in 2025, in line with the higher real estate sales during the year.

Cost of rental services went up by ₱322.69 million or 9.01% compared to prior year, from ₱3,583.37 million in 2024 to ₱3,906.06 million in 2025, mainly due to depreciation of new buildings that opened during the year and from higher direct operating expenses on account of improvements in business activities of the leasing segment.

General and administrative expenses increased by ₱574.20 million or 21.89% against last year from ₱2,623.35 million in 2024 to ₱3,197.55 million in 2025 primarily due to higher manpower costs from salary increase and new hires, taxes and licenses, depreciation and amortization, electronic data processing charges and retirement costs.

Selling & marketing expenses decreased by ₱215.83 million or 13.85% year-on-year from ₱1,558.16 million in 2024 to ₱1,342.33 million in 2025 on account of lower commissions and service fees.

### Interest and other finance charges

Interest and other finance charges increased by ₱391.84 million or 10.63% compared to prior year from ₱3,685.75 million in 2024 to ₱4,077.59 million in 2025 mainly due to non-capitalization of borrowing costs on completed projects, increase in the debt stock and higher average interest rates in 2025.

### Provision for Income Tax

Total provision for income tax decreased by ₱125.53 million or 12.50% year-on-year from ₱1,004.63 million in 2024 to ₱879.10 million in 2025, as the taxable income decreased during the year.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

### Financial Condition as of December 31, 2025 compared to as of December 31, 2024

|                                         | 2025        | 2024        | Change              |          |
|-----------------------------------------|-------------|-------------|---------------------|----------|
|                                         |             |             | Increase (Decrease) |          |
| ASSETS                                  |             |             |                     |          |
| Current Assets                          |             |             |                     |          |
| Cash and cash equivalents               | ₱5,181.40   | ₱3,984.19   | ₱1,197.21           | 30.05%   |
| Contracts receivable                    | 1,703.34    | 2,178.28    | (474.94)            | (21.80)% |
| Contract assets                         | 6,422.24    | 5,785.98    | 636.26              | 11.00%   |
| Other receivables                       | 3,636.49    | 3,563.39    | 73.10               | 2.05%    |
| Real estate inventories                 | 74,020.76   | 69,967.12   | 4,053.64            | 5.79%    |
| Other current assets                    | 6,678.79    | 8,263.85    | (1,585.06)          | (19.18)% |
| Total current assets                    | 97,643.02   | 93,742.81   | 3,900.21            | 4.16%    |
| Noncurrent Assets                       |             |             |                     |          |
| Contract asset - net of current portion | ₱3,815.00   | ₱2,653.11   | ₱1,161.89           | 43.79%   |
| Investment in associates                | 5,460.88    | 5,321.21    | 139.67              | 2.62%    |
| Investment properties                   | 88,160.76   | 85,041.04   | 3,119.72            | 3.67%    |
| Property and equipment                  | 5,815.69    | 5,812.72    | 2.97                | 0.05%    |
| Goodwill                                | 4,567.24    | 4,567.24    | —                   | 0.00%    |
| Build-transfer-operate (BTO) rights     | 6,238.39    | 6,329.16    | (90.77)             | (1.43)%  |
| Deferred income tax assets              | 147.48      | 96.03       | 51.45               | 53.57%   |
| Other noncurrent assets                 | 2,331.83    | 3,316.33    | (984.50)            | (29.69)% |
| Total Noncurrent Assets                 | 116,537.27  | 113,136.84  | 3,400.43            | 3.01%    |
| TOTAL ASSETS                            | ₱214,180.29 | ₱206,879.65 | ₱7,300.64           | 3.53%    |

|                                                                                          | 2025        | 2024        | Change<br>Increase (Decrease) |          |
|------------------------------------------------------------------------------------------|-------------|-------------|-------------------------------|----------|
| LIABILITIES AND EQUITY                                                                   |             |             |                               |          |
| Current Liabilities                                                                      |             |             |                               |          |
| Accounts payable and accrued expenses                                                    | ₱11,436.32  | ₱10,947.08  | ₱489.24                       | 4.47%    |
| Contract liabilities                                                                     | 477.24      | 586.26      | (109.02)                      | (18.60%) |
| Current portion of lease liabilities                                                     | 188.77      | 155.89      | 32.88                         | 21.09%   |
| Due to related parties                                                                   | 95.90       | 244.14      | (148.24)                      | (60.72%) |
| Income tax payable                                                                       | 65.61       | 71.73       | (6.12)                        | (8.53%)  |
| Current portion of loans payable                                                         | 15,605.87   | 6,876.64    | 8,729.23                      | 126.94%  |
| Current portion of bonds payable                                                         | 1,752.26    | 14,815.94   | (13,063.68)                   | (88.17%) |
| Total Current Liabilities                                                                | 29,621.97   | 33,697.68   | (4,075.71)                    | (12.09%) |
| Noncurrent Liabilities                                                                   |             |             |                               |          |
| Loans payable - net of current portion                                                   | 34,231.61   | 35,156.01   | (924.40)                      | (2.63%)  |
| Bonds payable - net of current portion                                                   | 31,165.07   | 21,040.64   | 10,124.43                     | 48.12%   |
| Contract liabilities - net of current portion                                            | 64.67       | 24.16       | 40.51                         | 167.70%  |
| Lease liabilities - net of current portion                                               | 6,927.28    | 6,774.45    | 152.83                        | 2.26%    |
| Net retirement liabilities                                                               | 497.87      | 398.74      | 99.13                         | 24.86%   |
| Deferred income tax liabilities - net                                                    | 4,039.23    | 4,817.00    | (777.77)                      | (16.15%) |
| Accounts payable and accrued expenses - net of current portion                           | 11,284.00   | 11,635.46   | (351.46)                      | (3.02%)  |
| Total Noncurrent Liabilities                                                             | 88,209.73   | 79,846.46   | 8,363.27                      | 10.47%   |
| Total Liabilities                                                                        | 117,831.70  | 113,544.14  | 4,287.56                      | 3.78%    |
| Equity                                                                                   |             |             |                               |          |
| Common stock                                                                             | 24,470.71   | 24,470.71   | —                             | 0.00%    |
| Preferred stock                                                                          | 80.00       | 80.00       | —                             | 0.00%    |
| Additional paid-in capital                                                               | 5,612.32    | 5,612.32    | —                             | 0.00%    |
| Treasury stock                                                                           | (2,078.08)  | (2,078.08)  | —                             | 0.00%    |
| Retained earnings                                                                        | 63,415.77   | 62,116.01   | 1,299.76                      | 2.09%    |
| Revaluation reserve on financial assets at fair value through other comprehensive income | (2.62)      | (2.62)      | —                             | 0.00%    |
| Remeasurement losses on retirement plan                                                  | 17.79       | 47.52       | (29.73)                       | (62.57%) |
| Share in other components of equity of an associate                                      | 372.45      | 372.45      | —                             | 0.00%    |
| Equity Attributable to Equity Holders of the Parent                                      | 91,888.34   | 90,618.31   | 1,270.03                      | 1.40%    |
| Noncontrolling Interest                                                                  | 4,460.25    | 2,717.20    | 1,743.05                      | 64.15%   |
| Total Equity                                                                             | 96,348.59   | 93,335.51   | 3,013.08                      | 3.23%    |
| TOTAL LIABILITIES AND EQUITY                                                             | ₱214,180.29 | ₱206,879.65 | ₱7,300.64                     | 3.53%    |

As of December 31, 2025, FLI's total consolidated assets stood at ₱214.18 billion from ₱206.88 billion as of December 31, 2024, an increase of ₱7.30 billion or 3.53%. The following are the material changes in account balances:

### **30.05% Increase in Cash and Cash Equivalents**

Mainly from ₱7.88 billion cashflows from operations, offset by cash used in investing activities amounting to ₱3.25 billion and financing activities of ₱3.44 billion.

### **12.46% Overall Increase in Contract Receivables and Contract Assets**

21.80% decrease in contract receivables; 21.31% increase in contract assets (11.00% increase in contract assets – current portion; 43.79% increase in contract assets – net of current portion)

Increases are mainly due to new sales recognized during the year and longer payment terms.

### **22.19% Decrease in Other Assets**

19.18% Decrease in Other Current Assets; 29.69% decrease in Other Noncurrent Assets

Primarily due to lower creditable withholding taxes, input taxes, advances to contractors and short-term deposits.

**53.58% Increase in Deferred Income Tax Assets**

Largely from the deferred taxes attributable on advance rentals.

**11.22% Overall Decrease in Contract Liabilities**

18.60% decrease in contract liabilities – current portion; 167.70% increase in contract liabilities – net of current portion

Driven by the construction progress for the accounts already qualified for revenue recognition.

**60.72% Decrease in Due to Related Parties**

Mainly from reduced payables to affiliates.

**8.53% Decrease in Income Tax Payable**

Attributable to lower taxable income and payment dues of subsidiaries.

**18.57% Increase in Loans Payable**

126.94% increase in Loans Payable – current portion; 2.63% decrease in Loans Payable – net of current portion

Attributable to newly availed loans of ₱16.70 billion offset by ₱8.87 billion repayments.

**8.20% Decrease in Bonds payable**

88.17% decrease in Bonds Payable – current portion; 48.12% increase in Bonds Payable – net of current portion

Primarily due to the settlement of FLI's bonds of ₱14.93 billion in 2025 offset by the ₱12.00 billion bond issuance in March 2025.

**2.68% Increase in Lease Liabilities**

21.09% increase in Lease Liabilities – current portion; 2.26% increase in Lease Liabilities – net of current portion

Attributable to higher interest expense, offset by lease payments during the year.

**24.86% Increase in Retirement Liabilities**

Arising from actuarial adjustments of the present value of the defined benefit obligation.

**16.15% Decrease in Deferred Tax Liabilities – Net**

Largely from the decrease in unrealized gross profit.

**64.15% Increase in Non-controlling Interests**

As a result of the Voluntary Tender Offer in December 2024 as the percentage ownership of non-controlling interest increased resulting to higher net income share, partially offset by the decrease in percentage of non-controlling interest in May 2025 from the infusion of Festival Main Mall to FILRT that then decreased the percentage ownership, net of dividends declared.

| <b>Performance Indicators</b>                      | <b>2025</b> | <b>2024</b> |
|----------------------------------------------------|-------------|-------------|
| Earnings per Share - Basic <sup>1</sup>            | 0.19        | 0.17        |
| Earnings per Share - Diluted <sup>2</sup>          | 0.19        | 0.17        |
| Price Earnings Ratio <sup>3</sup>                  | 4.05        | 4.29        |
| Interest-bearing Debt to Equity Ratio <sup>4</sup> | 0.86        | 0.83        |
| Debt Ratio <sup>5</sup>                            | 0.55        | 0.55        |
| EBITDA to Total Interest Paid <sup>6</sup>         | 1.94        | 2.16        |

<sup>1</sup> Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

<sup>2</sup> Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

<sup>3</sup> Price Earnings Ratio is computed as closing price of the Parent Company's shares of stock divided by actual earnings per share for the years ended December 31, 2025 and 2024

<sup>4</sup> Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

<sup>5</sup> Debt Ratio is computed as total liabilities divided by total assets

<sup>6</sup> EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid.

**Results of operations for the year ended December 31, 2024 compared to year ended December 31, 2023**

|                                             | 2024              | 2023       | Change<br>Increase (Decrease) |          |
|---------------------------------------------|-------------------|------------|-------------------------------|----------|
| <b>REVENUE</b>                              |                   |            |                               |          |
| Real Estate Sales                           | <b>₱15,392.76</b> | ₱14,486.51 | ₱906.26                       | 6.26%    |
| Rental and related services                 | <b>7,848.09</b>   | 7,200.95   | 647.14                        | 8.99%    |
| Total revenue                               | <b>23,240.85</b>  | 21,687.46  | 1,553.40                      | 7.16%    |
| <b>EQUITY IN NET EARNINGS OF ASSOCIATES</b> | <b>359.04</b>     | 242.01     | 117.03                        | 48.36%   |
| <b>OTHER INCOME</b>                         |                   |            |                               |          |
| Interest Income                             | <b>319.09</b>     | 283.98     | 35.11                         | 12.36%   |
| Others                                      | <b>526.92</b>     | 340.88     | 186.03                        | 54.57%   |
|                                             | <b>24,445.90</b>  | 22,554.33  | 1,891.56                      | 8.39%    |
| <b>COSTS</b>                                |                   |            |                               |          |
| Real Estate Sales                           | <b>7,354.90</b>   | 8,101.49   | (746.59)                      | (9.22%)  |
| Rental Services                             | <b>3,583.37</b>   | 3,122.34   | 461.03                        | 14.77%   |
| <b>OPERATING EXPENSES</b>                   |                   |            |                               |          |
| General And Administrative Expenses         | <b>2,623.35</b>   | 2,584.60   | 38.76                         | 1.50%    |
| Selling And Marketing Expenses              | <b>1,558.16</b>   | 1,370.13   | 188.02                        | 13.72%   |
| <b>INTEREST AND OTHER FINANCE CHARGES</b>   | <b>3,685.75</b>   | 2,434.39   | 1,251.35                      | 51.40%   |
|                                             | <b>18,805.53</b>  | 17,612.95  | 1,192.58                      | 6.77%    |
| <b>INCOME BEFORE INCOME TAX</b>             | <b>5,640.37</b>   | 4,941.38   | 698.99                        | 14.15%   |
| <b>PROVISION FOR INCOME TAX</b>             |                   |            |                               |          |
| Current                                     | <b>222.12</b>     | 578.50     | (356.38)                      | (61.60%) |
| Deferred                                    | <b>782.51</b>     | 66.84      | 715.67                        | 1070.67% |
|                                             | <b>1,004.63</b>   | 645.34     | 359.30                        | 55.68%   |
| <b>NET INCOME</b>                           | <b>₱4,635.74</b>  | ₱4,296.04  | ₱339.69                       | 7.91%    |
| <b>NET INCOME ATTRIBUTABLE TO:</b>          |                   |            |                               |          |
| Equity holders of the parent                | <b>₱4,168.47</b>  | ₱3,765.39  | ₱403.08                       | 10.70%   |
| Noncontrolling interest                     | <b>467.27</b>     | 530.65     | (63.41)                       | (11.95%) |
|                                             | <b>₱4,635.74</b>  | ₱4,296.04  | ₱339.69                       | 7.91%    |

For the year ended December 31, 2024, FLI's net income from its business segments increased by ₱339.69 million or 7.91%, from ₱4,296.04 million in 2023 to ₱4,635.74 million in 2024 primarily due to the growth of the residential and leasing business segments.

**Revenues and other income**

Total consolidated revenues and other income increased by ₱1.89 billion or 8.39% year-on-year from ₱22.55 billion in 2023 to ₱24.45 billion in 2024 due to higher revenues generated from residential, retail and office leasing businesses.

Real estate sales grew by ₱0.91 billion or 6.26% compared to prior year, from ₱14.49 billion in 2023 to ₱15.39 billion in 2024 primarily attributed to higher construction percentage of completion achieved during the year. Real estate sales booked during the year broken down by product type are as follows: Medium Income 73.6% (inclusive of MRB and HRB); Affordable and low affordable 12.1%; High-End and others 9.9%; Socialized 4.4%.



Rental and other services improved by ₱647.14 million or 8.99% vs. last year, from ₱7,200.95 million in 2023 to ₱7,848.09 million in 2024. Mall rentals revenue grew by ₱179.28 million or 8.17% driven by gradual reduction of rental concessions, reinstatement of escalation rates and increased occupancy levels. On the other hand, the office sector remained stable with an increase of ₱149.29 million or 3.20% despite continuing challenges on account of flexible work arrangements and slow return-to-office set-up and pre-termination of leases from POGO tenants. In 2023, FLI started operations on its co-living or dormitel business in Filinvest Mimosa+ Leisure City which contributed ₱180.86 million in revenues which increased by ₱71.04 million or 38.44% to ₱255.85Mn in 2024.

Equity in net earnings of associates increased by ₱117.03 million or 48.36% year-on-year from ₱242.01 million in 2023 to ₱359.04 million in 2024 due to higher net income reported by FAI and the improvement in operations of Filinvest Mimosa, Pro-Excel, DPI and SPI.

Interest income improved by ₱35.11 million or 12.36% compared to prior year, from ₱283.98 million in 2023 to ₱319.09 million in 2024 due to interest income derived from installment contract receivables.

Other income increased by ₱186.03 million or 54.57% against last year, from ₱340.88 million in 2023 to ₱526.92 million in 2024 due to higher income generated from processing fees and management fees.

### **Costs and Expenses**

Cost of real estate sales decreased by ₱746.59 million or 9.22%, year-on-year from ₱8,101.49 million in 2023 to ₱7,354.90 million in 2024 due to higher gross profit rate of 44% in 2023 to 52% in 2024.

Cost of rental services went up by ₱461.03 million or 14.77% compared to prior year from ₱3,122.34 million in 2023 to ₱3,583.37 million in 2024 due to higher direct operating expenses during the year on account of improving business activities in the leasing segment.

General and administrative expenses increased by ₱38.76 million or 1.50% against last year from ₱2,584.60 million in 2023 to ₱2,623.35 million in 2024 primarily due to lower property and maintenance costs, information technology expenses, outside services and recovery of prior year provision for bad debts from increased efforts on collection of past due accounts.

Selling & marketing expenses increased by ₱188.02 million or 13.72% year-on-year from ₱1,370.13 million in 2023 to ₱1,558.16 million in 2024 on account of higher commissions, sales generation activities such as exhibits and open houses, and salaries and wages and service fees to sellers to boost our sales force.

### **Interest and other finance charges**

Interest and other finance charges increased by ₱1,251.35 million or 51.40% compared to prior year from ₱2,434.39 million in 2023 to ₱3,685.75 million in 2024 mainly from non-capitalization of borrowing costs due to the first time adoption of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods, increase in the debt stock and average interest rates in 2024.

### **Provision for Income Tax**

Total provision for income tax increase by ₱359.30 million or 55.68% against last year from ₱654.34 million in 2023 to ₱1,004.63 million in 2024, as the taxable income increased from the residential and office leasing segments.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

## Financial Condition as of December 31, 2024 compared to as of December 31, 2023

|                                                                                          | 2024        | 2023        | Change<br>Increase (Decrease) |          |
|------------------------------------------------------------------------------------------|-------------|-------------|-------------------------------|----------|
| ASSETS                                                                                   |             |             |                               |          |
| Current Assets                                                                           |             |             |                               |          |
| Cash And Cash Equivalents                                                                | ₱3,984.19   | ₱5,732.01   | (₱1,747.82)                   | (30.49%) |
| Contracts Receivable                                                                     | 2,178.28    | 1,837.83    | 340.45                        | 18.52%   |
| Contract Assets                                                                          | 5,785.98    | 4,745.83    | 1,040.15                      | 21.92%   |
| Other Receivables                                                                        | 3,563.39    | 3,465.06    | 98.34                         | 2.84%    |
| Real Estate Inventories                                                                  | 69,967.12   | 72,634.83   | (2,667.72)                    | (3.67%)  |
| Other Current Assets                                                                     | 8,263.85    | 7,192.43    | 1,071.42                      | 14.90%   |
| Total Current Assets                                                                     | 93,742.81   | 95,607.99   | (1,865.18)                    | (1.95%)  |
| Noncurrent Assets                                                                        |             |             |                               |          |
| Contract Asset - Net of Current Portion                                                  | 2,653.11    | 5,037.94    | (2,384.83)                    | (47.34%) |
| Investment In Associates                                                                 | 5,321.21    | 5,219.90    | 101.31                        | 1.94%    |
| Investment Properties                                                                    | 85,041.04   | 79,659.34   | 5,381.70                      | 6.76%    |
| Property And Equipment                                                                   | 5,812.72    | 5,673.01    | 139.71                        | 2.46%    |
| Deferred Income Tax Assets                                                               | 96.03       | 48.48       | 47.55                         | 98.07%   |
| Goodwill                                                                                 | 4,567.24    | 4,567.24    | -                             | 0.00%    |
| BTO Rights                                                                               | 6,329.16    | 6,387.60    | (58.44)                       | (0.91%)  |
| Other Noncurrent Assets                                                                  | 3,316.33    | 2,274.58    | 1,041.75                      | 45.80%   |
| Total Noncurrent Assets                                                                  | 113,136.84  | 108,868.09  | 4,268.75                      | 3.92%    |
| TOTAL ASSETS                                                                             | ₱206,879.65 | ₱204,476.08 | ₱2,403.57                     | 1.18%    |
| LIABILITIES AND EQUITY                                                                   |             |             |                               |          |
| Current Liabilities                                                                      |             |             |                               |          |
| Accounts Payable and Accrued Expenses                                                    | ₱10,947.08  | ₱12,551.16  | (₱1,604.08)                   | (12.78%) |
| Contract Liabilities                                                                     | 586.26      | 792.40      | (206.14)                      | (26.02%) |
| Lease Liabilities - Current Portion                                                      | 155.89      | 175.46      | (19.57)                       | (11.15%) |
| Due To Related Parties                                                                   | 244.14      | 488.49      | (244.35)                      | (50.02%) |
| Income Tax Payable                                                                       | 71.73       | 21.56       | 50.18                         | 232.77%  |
| Loans Payable - Current Portion                                                          | 6,876.64    | 16,480.44   | (9,603.80)                    | (58.27%) |
| Bonds Payable - Current Portion                                                          | 14,815.94   | 1,697.35    | 13,118.60                     | 772.89%  |
| Total Current Liabilities                                                                | 33,697.68   | 32,206.86   | 1,490.83                      | 4.63%    |
| Noncurrent Liabilities                                                                   |             |             |                               |          |
| Loans Payable - Net of Current Portion                                                   | ₱35,156.01  | ₱20,507.49  | ₱14,648.52                    | 71.43%   |
| Bonds Payable - Net of Current Portion                                                   | 21,040.64   | 35,771.17   | (14,730.52)                   | (41.18%) |
| Contract Liabilities - Net of Current Portion                                            | 24.16       | 149.95      | (125.79)                      | (83.89%) |
| Lease Liabilities - Net of Current Portion                                               | 6,774.45    | 6,544.40    | 230.05                        | 3.52%    |
| Net Retirement Liabilities                                                               | 398.74      | 437.19      | (38.46)                       | (8.80%)  |
| Deferred Income Tax Liabilities - Net                                                    | 4,817.00    | 5,649.15    | (832.15)                      | (14.73%) |
| Accounts Payable and Accrued Expenses - Net of Current Portion                           | 11,635.46   | 8,938.00    | 2,697.46                      | 30.18%   |
| Total Noncurrent Liabilities                                                             | 79,846.46   | 77,997.35   | 1,849.11                      | 2.37%    |
| Total Liabilities                                                                        | 113,544.14  | 110,204.21  | 3,339.93                      | 3.03%    |
| Equity                                                                                   |             |             |                               |          |
| Common Stock                                                                             | 24,470.71   | 24,470.71   | 0.00                          | 0.00%    |
| Preferred Stock                                                                          | 80.00       | 80.00       | 0.00                          | 0.00%    |
| Additional Paid-In Capital                                                               | 5,612.32    | 5,612.32    | 0.00                          | 0.00%    |
| Treasury Stock                                                                           | (2,078.08)  | (221.04)    | (1,857.04)                    | 840.14%  |
| Retained Earnings                                                                        | 62,116.01   | 62,061.53   | 54.49                         | 0.09%    |
| Revaluation Reserve on Financial Assets at Fair Value Through Other Comprehensive Income | (2.62)      | (2.62)      | -                             | 0.00%    |
| Remeasurement Losses on Retirement Plan                                                  | 47.52       | 47.52       | -                             | 0.00%    |

Forward

|                                                     |                    |                    |                  |              |
|-----------------------------------------------------|--------------------|--------------------|------------------|--------------|
| Share In Other Components of Equity of an Associate | 372.45             | 372.45             | -                | 0.00%        |
| Equity Attributable to Equity Holders of the Parent | 90,618.31          | 92,420.87          | (1,802.55)       | (1.95%)      |
| Noncontrolling Interest                             | 2,717.20           | 1,851.01           | 866.20           | 46.80%       |
| Total Equity                                        | 93,335.51          | 94,271.87          | (936.35)         | (0.99%)      |
| <b>TOTAL LIABILITIES AND EQUITY</b>                 | <b>₱206,879.65</b> | <b>₱204,476.08</b> | <b>₱2,403.58</b> | <b>1.18%</b> |

As of December 31, 2024, FLI's total consolidated assets stood at ₱206.88 billion from ₱204.48 billion as of December 31, 2023, an increase of ₱2.40 billion or 1.18%. The following are the material changes in account balances:

**30.49% Decrease in Cash and Cash Equivalents**

Mainly from capital expenditures on residential projects, investment properties, property, and equipment, and BTO rights and payment of interest and cash dividends. This was partially offset by cash generated from the Group's operations.

**8.64% Overall Decrease in Contract Receivables and Contract Assets**

18.52% increase in contract receivables; 13.74% decrease in contract assets (21.92% increase in contract assets – current portion; 47.34% decrease in contract assets – net of current portion)

Decreases are mainly due to increased collections including receipt of bank takeouts while increases are primarily due to longer payment terms and new sales recognized during the year.

**14.90% Increase in Other Current Assets**

Primarily due to additional input taxes, creditable withholding taxes, and advances to contractors.

**6.76% Increase in Investment Properties**

Rise in investment properties is mainly due to construction of new buildings and transfers from real estate inventories, net of depreciation.

**98.07% Increase in Deferred Income Tax Assets**

Mainly from the deferred taxes attributable to net operating loss carry-over.

**45.80% Increase in Other Noncurrent Assets**

Significantly due to increase in advances to contractors and suppliers.

**5.09% Overall Increase in Accounts Payable and Accrued Expenses**

12.78% decrease in accounts payable and accrued expenses – current portion; 30.18 increase in accounts payable and accrued expenses – net of current portion

Primarily from unpaid capital expenditures to contractors and suppliers and advances and deposits from customers.

**35.22% Overall Decrease in Contract Liabilities**

26.02% decrease in contract liabilities – current portion; 83.89% decrease in contract liabilities – net of current portion

Mainly because of the construction progress for the accounts already qualified for revenue recognition.

**50.02% Decrease in Due to Related Parties**

Pertains to FILRT's continuing quarterly payments to FDC for the purchase of land In Boracay, Aklan, as part of its asset infusion program and other shared expenses.

**232.77% Increase in Income Tax Payable**

Primarily due to higher 4<sup>th</sup> quarter income tax.

**13.64% Increase in Loans Payable**

58.27% decrease in Loans Payable – current portion; 71.43% increase in Loans Payable – net of current portion

Attributable to newly availed loans of ₱36.73 billion offset by ₱31.69 billion repayments.

**4.30% Decrease in Bonds payable**

772.89% increase in Bonds Payable – current portion; 41.18% decrease in Bonds Payable – net of current portion

Primarily due to the settlement of FLI's bonds of ₱1.60 billion in 2024.

**3.13% Increase in Lease Liabilities**

11.15% decrease in Lease Liabilities – current portion; 3.52% increase in Lease Liabilities – net of current portion

Primarily due to new leases during the year, net of accretion.

**8.80% Decrease in Retirement Liabilities**

Mainly from plan asset contribution and payments, offset by net benefit costs for the year.

**14.73% Decrease in Deferred Tax Liabilities – Net**

Attributable to the reversal of capitalized borrowing costs on real estates inventories upon implementation of IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23, *Borrowing Cost*).

**840.14% Increase in Treasury Stock**

As a result of the Capped Voluntary Tender Offer (VTO) to all shareholders of the Company to acquire up to P1.866 billion of its own shares. The consideration was paid in shares of the Company in FILRT.

**46.80% Increase in Non-controlling Interests**

As a result of the VTO transaction resulting to a decrease in ownership of the Company in FILRT and share in net income, net of dividends declared.

| Performance Indicators                             | 2024 | 2023 |
|----------------------------------------------------|------|------|
| Earnings per Share - Basic <sup>1</sup>            | 0.17 | 0.16 |
| Earnings per Share - Diluted <sup>2</sup>          | 0.17 | 0.16 |
| Price Earnings Ratio <sup>3</sup>                  | 4.29 | 3.69 |
| Interest-bearing Debt to Equity Ratio <sup>4</sup> | 0.83 | 0.79 |
| Debt Ratio <sup>5</sup>                            | 0.55 | 0.54 |
| EBITDA to Total Interest Paid <sup>6</sup>         | 2.16 | 2.18 |

<sup>1</sup> Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

<sup>2</sup> Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

<sup>3</sup> Price Earnings Ratio is computed as closing price of the Parent Company's shares of stock divided by actual earnings per share for the years ended December 31, 2024 and 2023

<sup>4</sup> Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

<sup>5</sup> Debt Ratio is computed as total liabilities divided by total assets

<sup>6</sup> EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid.

**Results of operations for the year ended December 31, 2023 compared to year ended December 31, 2022**

|                                             | 2023              | 2022       | Change<br>Increase (Decrease) |          |
|---------------------------------------------|-------------------|------------|-------------------------------|----------|
| <b>REVENUE</b>                              |                   |            |                               |          |
| Real Estate Sales                           | <b>₱14,486.51</b> | ₱12,836.06 | ₱1,650.45                     | 12.86%   |
| Rental and related services                 | <b>7,200.95</b>   | 6,350.41   | 850.54                        | 13.39%   |
| <b>Total revenue</b>                        | <b>21,687.46</b>  | 19,186.46  | 2,500.99                      | 13.04%   |
| <b>EQUITY IN NET EARNINGS OF ASSOCIATES</b> | <b>242.01</b>     | 78.96      | 163.05                        | 206.50%  |
| <b>OTHER INCOME</b>                         |                   |            |                               |          |
| Interest Income                             | <b>283.98</b>     | 367.05     | (83.07)                       | (22.63%) |
| Others                                      | <b>340.88</b>     | 311.87     | 29.01                         | 9.30%    |
|                                             | <b>22,554.33</b>  | 19,944.34  | 2,609.97                      | 13.09%   |
| <b>COSTS</b>                                |                   |            |                               |          |
| Real Estate Sales                           | <b>8,101.49</b>   | 7,354.69   | 746.79                        | 10.15%   |
| Rental and related services                 | <b>3,122.34</b>   | 2,583.49   | 538.85                        | 20.86%   |
| <b>OPERATING EXPENSES</b>                   |                   |            |                               |          |
| General And Administrative Expenses         | <b>2,584.60</b>   | 2,313.06   | 271.54                        | 11.74%   |
| Selling And Marketing Expenses              | <b>1,370.13</b>   | 1,150.64   | 219.49                        | 19.08%   |
| <b>INTEREST AND OTHER FINANCE CHARGES</b>   | <b>2,434.39</b>   | 2,294.24   | 140.15                        | 6.11%    |
|                                             | <b>17,612.95</b>  | 15,696.12  | 1,916.82                      | 12.21%   |
| <b>INCOME BEFORE INCOME TAX</b>             | <b>4,941.38</b>   | 4,248.21   | 693.17                        | 16.32%   |
| <b>PROVISION FOR INCOME TAX</b>             |                   |            |                               |          |
| Current                                     | <b>578.50</b>     | 420.35     | 158.14                        | 37.62%   |
| Deferred                                    | <b>66.84</b>      | 306.73     | (239.88)                      | (78.21%) |
|                                             | <b>645.34</b>     | 727.08     | (81.74)                       | (11.24%) |
| <b>NET INCOME</b>                           | <b>₱4,296.04</b>  | ₱3,521.14  | ₱ 774.91                      | 22.01%   |
| <b>NET INCOME ATTRIBUTABLE TO:</b>          |                   |            |                               |          |
| Equity holders of the parent                | <b>₱3,765.39</b>  | ₱2,889.91  | ₱875.47                       | 30.29%   |
| Noncontrolling interest                     | <b>530.65</b>     | 631.22     | (100.57)                      | (15.93%) |
|                                             | <b>₱4,296.04</b>  | ₱3,521.14  | ₱774.91                       | 22.01%   |

For the year ended December 31, 2023, FLI's net income from its business segments increased by ₱ 774.91 million or 22.01%, from ₱3,521.14 million in 2022 to ₱4,296.04 million in 2023 primarily due to the growth of the residential and leasing business segments.

**Revenues and other income**

Total consolidated revenues and other income increased by ₱2.61 billion or 13.09% year-on-year from ₱ 19.94 billion in 2022 to ₱22.55 billion in 2023 due to higher revenues generated from residential, retail and office leasing businesses.

Real estate sales grew by ₱1.65 billion or 12.86% compared to prior year, from ₱12.84 billion in 2022 to ₱14.49 billion in 2023 primarily attributed to higher construction percentage of completion achieved during the year. Real estate sales booked during the year broken down by product type are as follows: Medium Income 67.89% (inclusive of MRB and HRB); Affordable and low affordable 23.25%; High-End 5.9%; Socialized 2.96%.

Rental and other services improved by ₱850.54 million or 13.39% vs. last year, from ₱6,350.41 million in 2022 to ₱7,200.95 million in 2023. Mall rentals revenue grew by ₱534.44 million or 32% driven by gradual reduction of rental concessions, reinstatement of escalation rates and increased occupancy levels. On the other hand, the office sector remained stable with an increase of ₱76.74 million or 2% despite continuing challenges on account of flexible work arrangements and slow return-to-office set-up and pre-termination of leases from POGO tenants. During the year, FLI started operations on its co-living or dormitel business in Filinvest Mimosa+ Leisure City which contributed to ₱180.86 million in revenues.

Equity in net earnings of associates increased by ₱163.05 million or 206.50% year-on-year from ₱78.96 million in 2022 to ₱242.01 million in 2023 due to higher net income reported by FAI and the improvement in operations of SPI, Pro-Excel and CTI.

Interest income declined by ₱83.07 million or 22.63% compared to prior year, from ₱367.05 million in 2022 to ₱283.98 million in 2023 due to lower interest income derived from installment contract receivables for in-house financing scheme as we are prioritizing bank financed loans.

Other income increased by ₱29.01 million or 9.30% against last year, from ₱311.87 million in 2022 to ₱340.88 million in 2023 due to higher income generated from processing fees.

### **Costs and Expenses**

Cost of real estate sales increased by ₱746.79 million or 10.15%, year-on-year from ₱7,354.69 million in 2022 to ₱8,101.49 million in 2023 due to higher real estate revenues realized during the year.

Cost of rental services went up by ₱538.85 million or 20.86% compared to prior year from ₱2,583.49 million in 2022 to ₱3,122.34 million in 2023 due to higher direct operating expenses during the year on account of improving business activities in the leasing segment.

General and administrative expenses increased by ₱271.54 million or 11.74% against last year from ₱2,313.06 million in 2022 to ₱2,584.60 million in 2023 primarily due to higher manpower costs, taxes and licenses and increased repairs and maintenance expenses for the managed projects.

Selling & marketing expenses increased by ₱219.49 million or 19.08% year-on-year from ₱1,150.64 million in 2022 to ₱1,370.13 million in 2023 on account of higher commissions, local and international branch sale offices and sales and marketing activities designed to generate sales.

### **Interest and other finance charges**

Interest and other finance charges increased by ₱140.15 million or 6.11 % compared to prior year from ₱2,294.24 million in 2022 to ₱2,434.39 million in 2023 mainly from higher average interest rates.

### **Provision for Income Tax**

Total provision for income tax decreased by ₱81.74 million or 11.24% against last year from ₱727.08 million in 2022 to ₱645.34 million in 2023, as the taxable income decreased due mainly to more projects enjoying special tax rates such as PEZA and BOI.

There are no significant elements of income or loss that did not arise from the Company's continuing operations.

## Financial Condition as of December 31, 2023 compared to as of December 31, 2022

|                                                                                          | 2023        | 2022        | Change<br>Increase (Decrease) |          |
|------------------------------------------------------------------------------------------|-------------|-------------|-------------------------------|----------|
| ASSETS                                                                                   |             |             |                               |          |
| Current Assets                                                                           |             |             |                               |          |
| Cash And Cash Equivalents                                                                | ₱5,732.01   | ₱6,619.13   | ₱(887.13)                     | (13.40%) |
| Contracts Receivable                                                                     | 1,837.83    | 2,128.88    | (291.05)                      | (13.67%) |
| Contract Assets                                                                          | 4,745.83    | 5,399.79    | (653.96)                      | (12.11%) |
| Other Receivables                                                                        | 3,465.06    | 2,902.01    | 563.05                        | 19.40%   |
| Real Estate Inventories                                                                  | 72,634.83   | 71,326.49   | 1,308.34                      | 1.83%    |
| Other Current Assets                                                                     | 7,192.43    | 6,380.77    | 811.67                        | 12.72%   |
| Total Current Assets                                                                     | 95,607.99   | 94,757.07   | 850.92                        | 0.90%    |
| Noncurrent Assets                                                                        |             |             |                               |          |
| Contract Asset - Net of Current Portion                                                  | 5,037.94    | 5,083.16    | (45.22)                       | (0.89%)  |
| Investment In Associates                                                                 | 5,219.90    | 5,135.02    | 84.88                         | 1.65%    |
| Investment Properties                                                                    | 79,659.34   | 77,021.40   | 2,637.94                      | 3.42%    |
| Property And Equipment                                                                   | 5,673.01    | 5,485.28    | 187.73                        | 3.42%    |
| Deferred Income Tax Assets                                                               | 48.48       | 91.38       | (42.90)                       | (46.95%) |
| Goodwill                                                                                 | 4,567.24    | 4,567.24    | -                             | 0.00%    |
| Other Noncurrent Assets                                                                  | 8,662.18    | 7,974.63    | 687.55                        | 8.62%    |
| Total Noncurrent Assets                                                                  | 108,868.09  | 105,358.11  | 3,509.98                      | 3.33%    |
| TOTAL ASSETS                                                                             | ₱204,476.08 | ₱200,115.18 | ₱ 4,360.90                    | 2.18%    |
| LIABILITIES AND EQUITY                                                                   |             |             |                               |          |
| Current Liabilities                                                                      |             |             |                               |          |
| Accounts Payable and Accrued Expenses                                                    | ₱12,551.16  | ₱11,948.85  | ₱540.60                       | 5.04%    |
| Contract Liabilities                                                                     | 792.40      | 1,012.29    | (219.89)                      | (21.72%) |
| Lease Liabilities - Current Portion                                                      | 175.46      | 246.05      | (70.59)                       | (28.69%) |
| Due To Related Parties                                                                   | 488.49      | 754.26      | (265.78)                      | (35.24%) |
| Income Tax Payable                                                                       | 21.56       | 19.55       | 63.71                         | 10.25%   |
| Loans Payable - Current Portion                                                          | 16,480.44   | 8,446.97    | 8,033.46                      | 95.10%   |
| Bonds Payable - Current Portion                                                          | 1,697.35    | 15,017.44   | (13,320.09)                   | (88.70%) |
| Total Current Liabilities                                                                | 32,206.86   | 37,445.43   | (5,238.58)                    | (13.99%) |
| Noncurrent Liabilities                                                                   |             |             |                               |          |
| Loans Payable - Net of Current Portion                                                   | ₱20,507.49  | ₱24,402.51  | ₱(3,895.02)                   | (15.96%) |
| Bonds Payable - Net of Current Portion                                                   | 35,771.17   | 26,115.35   | 9,655.82                      | 36.97%   |
| Contract Liabilities - Net of Current Portion                                            | 149.95      | 283.07      | (133.12)                      | (47.03%) |
| Lease Liabilities - Net of Current Portion                                               | 6,544.40    | 6,262.44    | 281.96                        | 4.50%    |
| Net Retirement Liabilities                                                               | 437.19      | 431.31      | 5.89                          | 1.36%    |
| Deferred Income Tax Liabilities - Net                                                    | 5,649.15    | 5,625.21    | 23.94                         | 0.43%    |
| Accounts Payable and Accrued Expenses - Net of Current Portion                           | 8,938.00    | 8,047.13    | 890.87                        | 11.07%   |
| Total Noncurrent Liabilities                                                             | 77,997.35   | 71,167.01   | 6,830.35                      | 9.60%    |
| Total Liabilities                                                                        | 110,204.21  | 108,612.44  | 1,591.77                      | 1.47%    |
| Equity                                                                                   |             |             |                               |          |
| Common Stock                                                                             | 24,470.71   | 24,470.71   | (0.00)                        | (0.00%)  |
| Preferred Stock                                                                          | 80.00       | 80.00       | (0.00)                        | (0.00%)  |
| Additional Paid-In Capital                                                               | 5,612.32    | 5,612.32    | 0.00                          | 0.00%    |
| Treasury Stock                                                                           | (221.04)    | (221.04)    | -                             | 0.00%    |
| Retained Earnings                                                                        | 62,061.53   | 59,172.01   | 2,889.52                      | 4.88%    |
| Revaluation Reserve on Financial Assets at Fair Value Through Other Comprehensive Income | (2.62)      | (2.62)      | -                             | 0.00%    |
| Remeasurement Losses on Retirement Plan                                                  | 47.52       | 68.19       | (20.66)                       | (30.31%) |

Forward

|                                                            | 2023               | 2022        | Change<br>Increase (Decrease) |         |
|------------------------------------------------------------|--------------------|-------------|-------------------------------|---------|
| Share In Other Components of Equity of an Associate        | 372.45             | 372.45      | -                             | 0.00%   |
| <b>Equity Attributable to Equity Holders of the Parent</b> | <b>92,420.87</b>   | 89,552.01   | 2,868.85                      | 3.20%   |
| Noncontrolling Interest                                    | 1,851.01           | 1,950.73    | (99.73)                       | (5.11%) |
| <b>Total Equity</b>                                        | <b>94,271.87</b>   | 91,502.74   | 2,769.13                      | 3.03%   |
| <b>TOTAL LIABILITIES AND EQUITY</b>                        | <b>₱204,476.08</b> | ₱200,115.18 | ₱4,360.90                     | 2.18%   |

As of December 31, 2023, FLI's total consolidated assets stood at ₱204.48 billion from ₱200.12 billion as of December 31, 2022, an increase by ₱4.36 billion or 2.18%. The following are the material changes in account balances:

**13.40% Decrease in Cash and Cash Equivalents**

Mainly from capital expenditures on investment properties, property, and equipment, and BTO rights and payment of interest and cash dividends. This was partially offset by cash generated from the Group's operations.

**7.85% Overall Decrease in Contract Receivables and Contract Assets**

*13.67% decrease in contract receivables; 6.67% decrease in contract assets (12.11% decrease in contract assets – current portion; 0.89% decrease in contract assets – net of current portion)*

Decreases are mainly due to increased collections including receipt of bank takeouts while increases are primarily due to longer payment terms and new sales recognized during the year.

**19.40% Increase in Other Receivables**

Mainly due to increase in receivables from leasing tenants.

**12.72% Overall Increase in Other Current Assets**

Primarily due to additional input taxes, creditable withholding taxes, and advances to contractors.

**46.95% Decrease in Deferred Income Tax Assets**

Mainly from the decrease in deferred taxes attributable to advance rentals.

**8.62% Increase in Other Noncurrent Assets**

Increase was largely due to additional construction costs of Filinvest Cebu Cyberzone (known as "BTO rights") covered by the BTO agreement with the Provincial Government of Cebu and an investment in a 5-year, non-interest bearing, Class A Senior Notes issued by a third-party special purpose trust fund.

**7.47% Overall Increase in Accounts Payable and Accrued Expenses**

*5.04% increase in Accounts Payable and Accrued Expenses – current portion; 11.07% increase in Accounts Payable and Accrued Expenses – net of current portion*

Mainly from the unpaid balance of Niyog and Cajel acquisition, increase in deposit from tenants, and other operating payables of the Group.

**27.25% Overall Decrease in Contract Liabilities**

*21.72% decrease in contract liabilities – current portion; 47.03% decrease in contract liabilities – net of current portion*

Mainly because of the construction progress for the accounts already qualified for revenue recognition.

**35.24% Decrease in Due to Related Parties**

Pertains to FILRT's continuing quarterly payments to FDC for the purchase of land In Boracay, Aklan, as part of its asset infusion program.

**10.25% Increase in Income Tax Payable**

Primarily due to higher 4<sup>th</sup> quarter income tax



**12.60% Increase in Loans Payable**

95.10% increase in Loans Payable – current portion; 15.96% decrease in Loans Payable – net of current portion

Attributable to newly availed loans of ₱24.66 billion offset by ₱20.53 billion repayments.

**8.91% Decrease in Bonds payable**

88.70% decrease in Bonds Payable – current portion; 36.97% increase in Bonds Payable – net of current portion

Primarily due to the settlement of FILRT's bonds of ₱6.00 billion in January 2023 and FLI's bonds of ₱9.04 billion in November 2023, partially offset by FLI's bond issuance amounting to ₱11.43 billion in December 2023.

**1.36% Increase in Retirement Liabilities**

Mainly from plan asset contribution and payments, offset by net benefit costs for the year.

**30.31% Decrease on Remeasurement Losses on Retirement Plan**

Mainly due to actuarial adjustments during the year.

**5.74% Decrease in Non-controlling Interests**

Mainly due to dividend distributions higher than the income share of NCI

| Performance Indicators                             | 2023 | 2022 |
|----------------------------------------------------|------|------|
| Earnings per Share - Basic <sup>1</sup>            | 0.16 | 0.12 |
| Earnings per Share - Diluted <sup>2</sup>          | 0.16 | 0.12 |
| Price Earnings Ratio <sup>3</sup>                  | 3.69 | 7.50 |
| Interest-bearing Debt to Equity Ratio <sup>4</sup> | 0.79 | 0.81 |
| Debt Ratio <sup>5</sup>                            | 0.54 | 0.54 |
| EBITDA to Total Interest Paid <sup>6</sup>         | 2.18 | 2.27 |

<sup>1</sup> Basic earnings per share amounts are calculated by dividing net income for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period.

<sup>2</sup> Diluted earnings per share amounts are calculated by dividing the net income attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares.

<sup>3</sup> Price Earnings Ratio is computed as closing price of the Parent Company's shares of stock divided by actual earnings per share for the years ended December 31, 2023 and 2022

<sup>4</sup> Interest-bearing debt-to-Equity Ratio is computed as the sum of consolidated loans payable and consolidated bonds payable divided by total equity.

<sup>5</sup> Debt Ratio is computed as total liabilities divided by total assets

<sup>6</sup> EBITDA to Total Interest Paid is computed as EBITDA (net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization) divided by total interest paid.

**Seasonality**

Except for the significant impact of COVID-19 pandemic to the Company's operations starting March 2020, there were no other trends, events or uncertainties that have had or that are reasonably expected to have a material impact on net sales or revenues or income from operations.

## **Significant Subsidiary**

Filinvest REIT Corp. (FILRT) *(formerly Cyberzone Properties, Inc. – CPI)*

The table below presents FILRT's information (at cost) on revenues, net income and financial soundness indicators, all before elimination of intercompany transactions, as of and for the years ended December 31, 2025, 2024, and 2023:

|                                     | FILRT                            |          |                        |
|-------------------------------------|----------------------------------|----------|------------------------|
|                                     | For the years ended December 31, |          |                        |
|                                     | 2023                             | 2024     | 2025                   |
|                                     | (millions)                       |          |                        |
| Gross Revenues                      | ₱2,989.7                         | ₱2,843.6 | ₱3,583.0               |
| Net Income                          | 925.2                            | 854.1    | (2,567.4) <sup>1</sup> |
| <b><i>As a % of FLI Group's</i></b> |                                  |          |                        |
| Gross Revenues and Other Income     | 13.40%                           | 11.63%   | 13.83%                 |
| Net Income                          | 21.54%                           | 18.42%   | (53.40%)               |

<sup>1</sup> FLI transferred its ownership of Festival Supermall Main Mall to FILRT in exchange for 1,626,003,316 primary common shares of FILRT at an issue price of ₱3.85 per share, for a total value of ₱6.26 billion under a tax-free property-for-share swap transaction. Net loss at cost before elimination of intercompany transactions included the loss amounting to ₱3.98 billion from the transaction. This loss from the transaction is eliminated in the consolidated financial statements of FLI and subsidiaries. FILRT's net income on its stand-alone financial statements at fair value amounted to ₱1.28 billion.

|                                    | For the years ended December 31, |      |        |
|------------------------------------|----------------------------------|------|--------|
|                                    | 2023                             | 2024 | 2025   |
| Current Ratio <sup>1</sup>         | 1.28                             | 1.06 | 1.32   |
| Debt Ratio <sup>2</sup>            | 0.64                             | 0.64 | 0.55   |
| Net Profit Margin <sup>3</sup>     | 0.31                             | 0.30 | (0.72) |
| Return on Equity <sup>4</sup>      | 0.19                             | 0.19 | (0.39) |
| Asset-to-Equity Ratio <sup>5</sup> | 2.78                             | 2.81 | 2.22   |

1. Current Ratio = Current Assets divided by Current Liabilities
2. Debt Ratio = Total Liabilities divided by Total Assets
3. Net Profit Margin = Net Income divided by Revenue
4. Return on Equity = Annualized Net Income divided by Total Equity.
5. Asset-to-Equity Ratio = Total Assets divided by Total Equity

All other subsidiaries do not have significant contributions to the Group.

## **Other Disclosures**

Aside from the possible material increase in interest rates of the outstanding long-term debts with floating rates, there are no known trends, events or uncertainties or any material commitments that may result to any cash flow or liquidity problems of FLI within the next 12 months. The Parent Company is not in default or breach of any note, loan, lease or other indebtedness or financing arrangements requiring it to make payments, or any significant amount in its accounts payable that have not been paid within the stated terms.

There are no known trends, events or uncertainties that have had or are reasonably expected to have favorable or unfavorable impact on net sales or revenues or income from continuing operations of FLI.

Except for income generated from retail leasing, there are no seasonal aspects that have a material effect on FLI's financial conditions or results of operations.

The operating activities of FLI are carried uniformly over the calendar year; there are no significant elements of income or loss that did not arise from its continuing operations.

There are no known events that will trigger the settlement of a direct or contingent financial obligation that is material to the Parent Company.

There are no off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships to the Parent Company with unconsolidated entities or other persons created during the reporting period, except those discussed.

The Group does not have any contingent liability or borrowings wherein financial assets were pledged to secure payment nor does it have borrowings wherein properties were mortgaged to secure a loan.

## **Item 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANT ON ACCOUNTING AND FINANCIAL DISCLOSURE**

SyCip, Gorres, Velayo & Co (SGV) has been the duly appointed independent auditors for the years covered by this report.

SGV has been recommended for election as external auditor for the year 2025. FLI, in compliance with SRC Rule 68(3)(b)(iv) relative to the seven-year rotation requirement of its external auditors, has designated Mr. Ysmael Acosta as its engagement partner for the Group starting CY 2026. The representatives of SGV are expected to be present at the annual meeting where they will have the opportunity to make a statement if they desire to do so. They are expected to be available to respond to appropriate questions at the meeting.

There are no changes in and disagreements with FLI's independent accountants on accounting and financial disclosures during the past two years ended December 31, 2025.

## PART III – CONTROL AND COMPENSATION INFORMATION

### Item 9. DIRECTORS AND PRINCIPAL OFFICERS

The following are the current directors and senior executive officers of FLI<sup>1</sup>:

|                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Jonathan T. Gotianun</b><br><i>Chairman of the Board</i>                               | Mr. Gotianun, 72, Filipino, was first elected as a Director of FLI on 17 June 1994. He also serves as the Chairman of the Board of Directors of Filinvest Development Corporation (“FDC”) and East West Banking Corporation (“EWBC”), both publicly-listed companies. He is also the Chairman of the Board of Davao Sugar Central Co., Inc. (“DSCC”), Cotabato Sugar Central Co. Inc. (“CSCC”) and FDC Utilities, Inc. (“FDCUI”) and their subsidiary power companies. He served as a Director and Senior Vice President of Family Bank & Trust Co. until 1984. He obtained his Master’s Degree in Business Administration from Northwestern University in 1976.                                                                   |
| <b>Lourdes Josephine Gotianun Yap</b><br><i>Vice-Chairperson of the Board</i>             | Mrs. Yap, 70, Filipino, was first elected as a Director of FLI on 24 November 1989. Mrs. Yap was elected as the Vice-Chairperson of the Board of FLI on 24 April 2023. She served as the CEO of FLI from October 2012 to April 2023 and as its President from October 2012 to April 2022. She is also the Vice-Chairperson of the Board of FDC and a Director of EWBC, all publicly-listed companies. She is the Chairperson and CEO of Filinvest Alabang, Inc. (“FAI”), a Director of FDCUI and in other companies within the Filinvest Group. She obtained her Master’s Degree in Business Administration from the University of Chicago in 1977.                                                                                |
| <b>Tristanail D. Las Marias</b><br><i>Director, President and Chief Executive Officer</i> | Mr. Las Marias, 50, Filipino, is the President and Chief Executive Officer of FLI. He also serves as a Director of FILRT, a publicly-listed company. He started in 1997 as the Head of Regional Projects and went on to hold a higher position as a Senior Vice-President and Cluster Head for Visayas and Mindanao projects, as well as Southwest and Central Luzon. He was appointed as President and Chief Strategy Officer of FLI in April 2022 before his concurrent appointment as CEO in April 2023. He obtained his Bachelor of Arts, Major in Management Economics degree from Ateneo de Manila University. He also obtained his Certificate from the Advanced Management Program of the Harvard Business School in 2022. |
| <b>Michael Edward T. Gotianun</b><br><i>Director</i>                                      | Mr. Gotianun, 68, Filipino, was first elected as a Director of FLI on 08 May 2015. He is also a Director of FDC, a publicly-listed company. He served as the general manager of Filinvest Technical Industries from 1987 to 1990 and as loans officer at Family Bank from 1979 to 1984. He obtained his Bachelor’s Degree in Business Management from the University of San Francisco in 1979.                                                                                                                                                                                                                                                                                                                                     |
| <b>Francis Nathaniel C. Gotianun</b><br><i>Director</i>                                   | Mr. Gotianun, 42, Filipino, was first elected as a Director of FLI on 22 April 2016. He is the Chief Executive Officer of Filinvest Hospitality Corporation, a subsidiary of FDC, the primary role of which is to evaluate, plan, develop and optimize potential and current hospitality investments of the Filinvest Group. He is also a director of                                                                                                                                                                                                                                                                                                                                                                              |

<sup>1</sup> Mr. Alexis Avalone Ojeda, who was the First Vice President and Sales Channel Development Head as of December 31, 2025, tendered his resignation effective 04 March 2026.

|                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                           | <p>FDC, a publicly-listed company. He serves as Chairman of ProOffice Work Services, Inc. (PWSI), a Director of Filinvest Mimosa, Inc. and as the President and CEO of The Palms County Club, Inc. (“TPCCI”). He obtained his Bachelor’s Degree in Commerce from the University of Virginia in 2005 and his Master’s in Business Administration degree in IESE Business School – University of Navarra in 2010.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <p><b>Rhoda A. Huang</b><br/><i>Director</i></p>                          | <p>Ms. Huang, 63, Filipino, was first elected as a Director of FLI on 19 April 2024. She is currently a Director and the President and CEO of FDC. Prior to joining FDC, she was the President of BPI Capital Corporation. She was also the former Branch Head of Investment Banking for Credit Suisse Philippines and spent nineteen (19) years at JP Morgan Chase and its predecessor institutions. Ms. Huang bring more than thirty (30) years of experience in Philippine corporate, financial and government institutions. She has led various aspects of investment banking, including handling mergers and acquisitions, facilitating equity-linked transactions, managing equity and debt capital markets, overseeing structured products and lending, as well as handling risk management. She completed her Bachelor’s degree in Business Administration and Accountancy at the University of the Philippines and is a Certified Public Accountant.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Ephyro Luis B. Amatong</b><br/><i>Lead Independent Director</i></p> | <p>Atty. Amatong, 52, Filipino, was first elected as an Independent Director of FLI on 19 April 2024. He was the former Supervising Commissioner of the Markets and Securities Regulation Department and the Economic Research and Training Department of the Philippine Securities and Exchange Commission (SEC) from May 2014 to March 2022. Before joining SEC, he was an Assistant Secretary of the Department of Finance (“DOF”) where he had an active role in a number of privatization projects among others. He also served in various capacities in the government. Before joining the government, he was an Associate with the Villaraza &amp; Angangco Law Offices where he dealt with high profile litigation.</p> <p>Currently, he is a partner of MOSVELDTT Law Offices and a Consultant for the World Bank Group and the Asian Development Bank. He is a Professional Lecturer of the University of the Philippines – College of Law, a Trustee of the Andres Bonifacio College, an Independent Director of Asia Link Finance Corp.; Global Dominion Financing, Inc., and South Asialink Finance Corp. He is also an independent director of Citicore Renewable Energy Corp., and an Advisor to the Board of Alternenergy Holdings Corp., both publicly-listed companies.</p> <p>Atty. Amatong was admitted to the Philippine Bar in 2002 and the New York Bar in 2007. He holds a Master of Laws degree with an International Finance Concentration from Harvard Law School. He also holds a Bachelor of Laws degree from the University of the Philippines and a Bachelor of Science in Business Economics from the same university.</p> |
| <p><b>Ernesto S. De Castro</b><br/><i>Independent Director</i></p>        | <p>Mr. De Castro, 79, Filipino, was first elected as an Independent Director of FLI on 22 April 2019. He is the President of ESCA Incorporated since July 1993. He is not a Director of any other</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

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|                                                                                                                            | publicly-listed company. He graduated from the University of the Philippines Diliman in 1967 with a Bachelor's Degree in Civil Engineering and obtained his Masters of Engineering in the same university in 1968. He obtained the degree of Doctor of Philosophy in Civil Engineering (Major in Structures) in Lehigh University, Bethlehem, Pennsylvania, USA in 1975.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>Gemilo J. San Pedro</b><br><i>Independent Director</i>                                                                  | <p>Mr. San Pedro, 71, Filipino, was first elected as an Independent Director of FLI on 17 July 2019. He has 38 years of experience in public accounting and business advisory services. Prior to his retirement on 30 June 2015, he served various leadership roles at SyCip Gorres Velayo &amp; Co. (SGV &amp; Co.). He was a partner in SGV &amp; Co. from 1991 to 2015 and a Professional Practice Director and a Quality and Risk Management Leader from 2004 to 2015.</p> <p>He is an Independent Director of Globe Fintech Innovations, Inc., Electronic Commerce Payments (EC Pay), Inc., and Insular Life Assurance Company, Ltd.</p> <p>He finished his Bachelor of Science in Commerce, Major in Accounting degree at Rizal Memorial Colleges, Davao City. He obtained his Master of Business Administration, Concentration in Finance and International Business, at the Graduate School of Business, New York University, (now Stern Graduate School) USA in 1983.</p> |
| <b>Ana Venus A. Mejia</b><br><i>Executive Vice President, Treasurer, Chief Finance Officer and Chief Operating Officer</i> | Ms. Mejia, 60, Filipino, has been with the Filinvest Group for 30 years. She started in January 1996 as the Assistant Controller of FDC and has served the group in various capacities. She was appointed as the Treasurer of FLI in 2012. She also serves as the Treasurer and Chief Finance Officer of FILRT. Prior to joining Filinvest, she worked with Shoemart and SGV & Co. She is a Certified Public Accountant and a magna cum laude graduate of Pamantasan ng Lungsod ng Maynila. She obtained her Master's Degree from the Kellogg School of Management of Northwestern University and the School of Business and Management at the Hong Kong University of Science and Technology.                                                                                                                                                                                                                                                                                     |
|                                                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Francis V. Ceballos</b><br><i>Senior Vice President and Head of the Industrial, Warehousing and Logistics Business</i>  | Mr. Ceballos, 59, Filipino, joined FLI last 2010 and is currently the Senior Vice-President and Head of the Industrial/Logistics Business. He graduated from Ateneo de Manila University with a degree in Management Engineering and obtained his Masters in Business Administration from the Asian Institute of Management.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Winnifred H. Lim</b><br><i>First Senior Vice President and Chief Technical Planning Officer</i>                         | Engr. Lim, 61, Filipino, is the First Senior Vice-President and Chief Technical Planning Officer of FLI. He started as the Company's Engineering Head last 2000 and currently leads Engineering, Architecture, Planning and Design, Survey, and Special Projects. He obtained his Master's Degree in Structural Engineering at the University of the Philippines Diliman.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>Reynaldo Juanito S. Nieva II</b><br><i>Senior Vice President and Operations Head</i>                                    | Mr. Nieva, 51, Filipino, is the head of the Operations Department of FLI. He has been with FLI for fifteen (15) years and significantly contributed to various systems and processes of the company. His customer-centric leadership introduced the                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |

|                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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|                                                                                                    | Omni channel to FLI's customer service, efficient booking process, stability in risk management and digitalizing an array of FLI Operating systems. He graduated from the University of the Philippines Diliman with a degree in Hotel and Restaurant Administration                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Mary Averose D. Valderrama</b><br><i>Senior Vice President – Residential Business Unit Head</i> | Ms. Valderrama, 45, Filipino, is the Brand/Product and Regional Projects Head for MRBs and Metro Manila and Luzon – MRB of FLI. Ms. Valderrama graduated as cum laude in 2002 with a degree in Business Economics at the University of the Philippines - Diliman. She took an MBA in Business Administration at the University of East Anglia in United Kingdom and graduated with distinction. When Ms. Valderrama joined FLI in 2013, she carried with her solid real estate experience gained from the various roles she held in business development, sales and marketing.                                                                                                                                                                                      |
| <b>D'Artagnan M. Aguilar</b><br><i>Senior Vice President – Chief Marketing Officer</i>             | Mr. Aguilar, 56, Filipino, is the Chief Marketing Officer of FLI. He is a senior marketing and business leader with over 30 years of experience driving enterprise brand transformation, digital growth, and marketing modernization across real estate, banking, telecommunications, retail, and multinational agency environments. Prior to joining FLI, Mr. Aguilar was Chief Marketing Officer of CIMB Bank Philippines and held various positions at Bank of the Philippine Islands (BPI), Globe Telecom, Mindshare Philippines, Ogilvy & Mather, and Leo Burnett. He graduated from the Ateneo de Manila University with a Bachelor of Science degree in Biology. He obtained his Executive Business Management Certificate from the Harvard Business School. |
| <b>Luis L. Fernandez</b><br><i>First Vice President and HOA &amp; Water Systems Head</i>           | Fernandez, 79, Filipino, is the HOA & Water Systems Head of FLI. He has been with Filinvest for more than fifty (50) years. He served as Executive Vice-President of Family Savings Bank and held the same position in Family Bank & Trust Co. He also served as Vice-President of FDC. He obtained his Bachelor of Arts Degree Major in Business Management from the Ateneo De Manila University.                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Wilbert B. Serrano</b><br><i>First Vice President – Sales and Marketing Head</i>                | Mr. Serrano, 50, Filipino, is the Sales and Marketing Head of FLI. Prior to joining FLI, he is the Head of Commercial Excellence and Business Strategy at Sandoz-Novartis Philippines. He has been leading sales and marketing teams across different industries for over twenty (20) years. He has worked for Globe Telecom, Johnson & Johnson Philippines, and Samsung Electronics Philippines Corp. He has a Bachelor of Arts Degree in English and has completed the Executive MBA Program at the Asian Institute of Management ("AIM"). He is also a graduate of the Corporate Strategy and Execution Program and Management Development Program of AIM.                                                                                                       |
| <b>Sean Philip R. Imperial</b><br><i>First Vice President - Land Acquisition and Disposition</i>   | Mr. Imperial, 47, Filipino, is the First Vice-President for Land Acquisition and Disposition of FLI. He has been with Filinvest for twenty-three (23) years. He is a homegrown talent, starting as a Project Analyst to an Executive role in Rawland Acquisition. He obtained his degree in Economics from the University of Santo Tomas.                                                                                                                                                                                                                                                                                                                                                                                                                           |

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| <p><b>Gerard C. Marcelo</b><br/> <i>First Vice President,<br/> Regional General Manager<br/> – North, Central and South<br/> Luzon, and Estate Business<br/> Head</i></p> | <p>Mr. Marcelo, 53, Filipino, is the First Vice President, Regional General Manager – North, Central and South Luzon, and Estate Business Head. Mr. Marcelo has over 25 years of experience in planning, implementation and general management of general subdivision projects, as well as land acquisition and business development for condotels and hotel projects. He started his career with Landco Pacific Corporation earning his way to becoming its Vice President for Business Development and Market Research. Prior to joining FLI, he was a Business and Project Development Consultant of Ayala Land Estates, Inc.</p> <p>Mr. Marcelo graduated from Ateneo de Manila University with a Bachelor of Science in Management Engineering and attended the Strategic Business Economics Program at the University of Asia and the Pacific.</p>                                                                                                                                                                                                                                                                                |
| <p><b>Maria Arabelle B. Solidum</b><br/> <i>First Vice President and<br/> Regional General Manager</i></p>                                                                | <p>Ms. Solidum, 47, Filipino, previously served as FLI’s Area General Manager for Northern Mindanao in 2013–2017 and as the Rawland Group Head for Visayas and Mindanao Cluster in 2018. Prior to joining Filinvest, her leadership roles include Senior Vice President and Chief Operations Officer at Raemulan Lands, Inc., Vice President and General Manager at Pacifica Homes Development Corporation (a Century Pacific Group, Inc. subsidiary), and key management positions at Pueblo de Oro Development Corporation (ICCP Group), Globe Telecom, Inc., Innove Communications, Inc., and the Villar Group. She holds a Bachelor of Science degree in Agribusiness Management (cum laude), from the University of the Philippines Los Banos and is completing her Master of Arts in Urban and Regional Planning at UP SURP in UP Diliman.</p>                                                                                                                                                                                                                                                                                    |
| <p><b>Estrella C. Elamparo</b><br/> <i>Compliance Officer</i></p>                                                                                                         | <p>Atty. Elamparo, 55, is concurrently the Compliance Officer and Head of Legal of Filinvest Development Corporation. She is a lawyer specializing in litigation and disputes, public relations, crisis management and communications, and policy advocacy. She has been recognized as one of the Philippines' Top 100 Lawyers in 2021, 2022 and 2023, and was named Woman Lawyer of the Year by Asian Legal Business South East Asia Law Awards in 2017. She is a professor at the San Beda Graduate School of Law and a columnist for The Daily Tribune. Atty. Elamparo has held several senior positions in both the private and public sectors, including Senior Partner and Head of Commercial and Criminal Litigation at Divina Law, and Senior Vice President and Chief Legal Counsel at the Government Service Insurance System. She is also a certified Securities Specialist and Certified Treasury Specialist. Atty. Elamparo holds a Bachelor of Laws degree from the University of the Philippines and a Master of Arts degree in Health Care Ethics and Law from the University of Manchester as a Chevening Scholar.</p> |
| <p><b>Melissa C. Ortiz</b><br/> <i>Investor Relations Officer</i></p>                                                                                                     | <p>Ms. Ortiz, 55, Filipino, is the Investor Relations Officer of FLI. She was previously the Head of Investor Relations for ABS-CBN Corporation, Head of Corporate and Financial Planning for Nutriasia Philippines and Head of Financial Planning and Investor Relations for MERALCO.</p> <p>She is a Certified Public Accountant and a Certified Management Accountant. She obtained her Bachelor’s Degree in Business</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |



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|                                                                                                        | <p>Administration from the University of the Philippines and obtained her Master's Degree in Business Administration and Master of Science degree in Computational Finance from De La Salle University. She completed the Chief Financial Officer, Strategic Finance Leadership, Business and Management Consulting and Enterprise Risk Management programs at the Asian Institute of Management. She also completed the Sustainable Real Estate: Creating a Better Built Environment program from the University of Cambridge Institute for Sustainability Leadership, the Sustainable Finance in Action program of the Singapore Management University and the Real Estate Economics and Finance program from the London School of Economics and Political Science.</p>                                                                                                                                                                                                              |
| <p><b>Katrina O. Clemente-Lua</b><br/><i>Corporate Secretary and Corporate Information Officer</i></p> | <p>Ms. Clemente-Lua, 42, Filipino, was appointed as FLI's Corporate Secretary on March 24, 2024 and Corporate Information Officer on 16 March 2022. Ms. Lua was previously appointed as FLI's Assistant Corporate Secretary on 16 March 2022. She joined the Corporate and Tax Advisory Division of the Legal Department of FLI in October 2018. Prior to joining FLI, she served as the Legal Counsel of Philippine Stratbase Consultancy, Inc. and the Executive Director of Stratbase ADR Institute. She was previously an Associate of Carag Jamora Somera &amp; Villareal Law Offices, as well as the Senior Corporate Affairs Officer of Anchor Land Holdings.</p> <p>She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Bachelor of Arts degree in Legal Management from De La Salle University and her Juris Doctor degree from Ateneo de Manila University.</p>                                                                      |
| <p><b>Jennifer C. Lee</b><br/><i>Assistant Corporate Secretary</i></p>                                 | <p>Ms. Lee, 41, Filipino, was appointed as FLI's Assistant Corporate Secretary on 24 March 2024. She joined the Corporate, Tax, and Compliance Division of the Legal Department of FLI in July 2021. Prior to joining FLI, she was an associate in Quasha Law and in Migallos &amp; Luna Offices.</p> <p>She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Juris Doctor degree in University of the Philippines – Diliman and her Bachelor of Science in Commerce, Major in Legal Management in De La Salle University – Manila.</p>                                                                                                                                                                                                                                                                                                                                                                                                         |
| <p><b>Michael R. Roxas*</b><br/><i>Chief Audit Executive</i></p>                                       | <p>Mr. Roxas, 47, Filipino, is the Chief Audit Executive of FLI. He has a dynamic 20-year management career in auditing, assurance and consultancy in real estate, retail, manufacturing and telecommunications companies. He performed financial, operations and compliance audits including business process, project management, continuous monitoring, process mapping, and fraud investigation. Prior to joining FLI, he was the Senior Assistant Vice President, Internal Audit and Risk Management of Global-Estate Resorts, Inc. ("GERI"). Before joining GERI, he was the head of Risk Management &amp; Insurance Division of Makati Development Corporation (MDC), a wholly owned subsidiary and the construction arm of Ayala Land, Inc. During his time in MDC, he championed several initiatives for MDC such as documentation and improvement of MDC's systems and procedures, establishment of the Enterprise-wide Risk Management program, development of Business</p> |

|                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
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|                                                              | Continuity Management, and Lean Construction. He has a Master's Degree in Business Administration from the Pamantasan ng Lungsod ng Maynila. He is a Certified Lead Auditor for ISO 9001:2008 Quality Management System and ISO 14001:2004 Environmental Management System. Mr. Roxas is certified in Safety Program Audit, Loss Control Management and Construction Occupational Safety and Health (COSH). He also obtained the 186 Certified Internal Control Auditor (CICA) title in February 2019. He is a member of the Institute of Internal Auditors – Philippines (IIA-P) since 2009.           |
| <b>Heherson Ibardaloza</b><br><i>Data Protection Officer</i> | Mr. Ibardaloza, 38, Filipino, was appointed as the Data Protection Officer of FLI on 16 February 2026. He was previously appointed as FLI's Interim Data Protection Officer on 11 November 2025. He has extensive professional experience in Global Shared Services industry with 15 Years of Experience in Global Master Data Management. Prior to joining Filinvest Business Services Corporation ("FBSC"), he held the position of Finance Master Data Management Manager at Dover Business Services. He graduated with a Bachelor of Science in Hospitality Management from Taguig City University. |

\* Mr. Michael Roxas tendered his resignation as Chief Audit Executive of the Company, effective March 30, 2026, as disclosed with the SEC and PSE

The Audit and Risk Management Oversight Committee of FLI is composed of Gemilo S. San Pedro (Chair/Independent Director), Ephyro Luis B. Amatong (Independent Director), Jonathan T. Gotianun and Lourdes Josephine Gotianun Yap.

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

There is no person who is not an executive officer of the Parent Company who is expected to make a significant contribution to the business. The Parent Company, however, engages the regular services of consultants. At December 31, 2025, the Parent Company had 5 consultants in the area of business development, marketing, planning and design and construction management.

Except as discussed in section 1.10, there are no transactions or any proposed transactions during the last two years, to which the Parent Company was or is to be a party, in which any director or officer, any nominee for election as a director, any security holder or any member of the immediate family or any of the persons mentioned in the foregoing had or is to have a direct or indirect material interest.

### ***Involvement in Certain Legal Proceedings of Directors and Executive Officers***

Except for the following cases, none of the members of FLI's Board nor its executive officers are involved in any major criminal, bankruptcy or insolvency investigations or proceedings for the past five (5) years and up to September 30, 2024, nor have they been found by judgment or decree to have violated securities or commodities laws and enjoined from engaging in any business, securities, commodities or banking activities: (a) the complaint for syndicated estafa and usurpation of real property filed by Manuel Tee and Michael Mendoza against certain directors and officers of FLI in 2018, docketed as NPS No. XV-08-INV-18K-01075, which was dismissed by the Office of the City Prosecutor ("OCP") for Muntinlupa City and for which complainants' Motion for Reconsideration was already denied on February 24, 2020; (b) the complaint for estafa filed by Manila Paper Mills International, Inc. ("MPMII") with the OCP of Dasmariñas, Cavite against certain directors and an officer of FLI, which was dismissed, although MPMII filed a Petition for Review before the Secretary of Justice; and (c) the complaint for Violations of

Presidential Decree No. 957 ("PD 957") filed by Spouses Jonathan and Imelda Ordoña, docketed as I.S. No. XV-07-INV-24J-04402 before the OCP of City of Manila, which was dismissed in through Resolution dated 31 October 2024."

#### Item 10. EXECUTIVE COMPENSATION

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

##### *President and Four (4) Most Highly Compensated Executive Officers*

| In Million Pesos                                                  | Year                             | Annual Compensation | Other Annual Compensation                                                              |
|-------------------------------------------------------------------|----------------------------------|---------------------|----------------------------------------------------------------------------------------|
| President and four (4) most highly compensated executive officers | 2026 (estimate)                  | 43.13Mn             | none                                                                                   |
|                                                                   | 2025                             | 43.78Mn             | 5.00Mn                                                                                 |
|                                                                   | 2024                             | 47.62Mn             | 15.75Mn                                                                                |
| Year                                                              | Name                             |                     | Position/Title                                                                         |
| 2025                                                              | Tristaneil D. Las Marias         |                     | President and Chief Executive Officer                                                  |
|                                                                   | Ana Venus A. Mejia               |                     | Executive Vice-President, Chief Finance Officer, Treasurer and Chief Operating Officer |
|                                                                   | Winnifred H. Lim                 |                     | First Senior Vice-President, Chief Technical Planning Officer                          |
|                                                                   | Francis V. Ceballos              |                     | Senior Vice-President, Head of the Industrial/Warehousing and Logistics Business       |
|                                                                   | Reynaldo Juanito S. Nieva II     |                     | Senior Vice-President, Operations Head                                                 |
| 2024                                                              | Tristaneil D. Las Marias         |                     | President and Chief Executive Officer                                                  |
|                                                                   | Ana Venus A. Mejia               |                     | Executive Vice-President, Chief Finance Officer, Treasurer                             |
|                                                                   | Winnifred H. Lim                 |                     | First Senior Vice-President, Chief Technical Planning Officer                          |
|                                                                   | Francis V. Ceballos              |                     | Senior Vice-President                                                                  |
|                                                                   | Maria Victoria M. Reyes-Beltran* |                     | Senior Vice-President                                                                  |

\*Atty. Maria Victoria M. Reyes-Beltran tendered her resignation as Senior Vice-President, General Counsel and Compliance Officer, effective 18 August 2025.

### *Compensation of Directors and Officers as a Group*

| In million pesos                          | Year            | Annual Compensation | Other Annual Compensation |
|-------------------------------------------|-----------------|---------------------|---------------------------|
| <b>Aggregate Officers &amp; Directors</b> | 2026 (estimate) | 93.00Mn             | none                      |
|                                           | 2025            | 79.33Mn             | 6.58Mn                    |
|                                           | 2024            | 68.73Mn             | 6.58Mn                    |

Non - executive and independent directors receive a per diem of Php50,000.00 for every stockholder's, Board and Board Committee meeting attended. For the year 2025, the total per diem for each of the non-executive director and independent directors is as follows:

| Name of Director                              | Amount (in Php) |
|-----------------------------------------------|-----------------|
| Jonathan T. Gotianun*                         | Php--           |
| Lourdes Josephine Gotianun-Yap*               | --              |
| Michael Edward T. Gotianun*                   | --              |
| Francis Nathaniel C. Gotianun*                | --              |
| Rhoda A. Huang*                               | --              |
| Tristaneil D. Las Marias*                     | --              |
| Ernesto S. De Castro (Independent Director)   | Php700,000.00   |
| Gemilo J. San Pedro (Independent Director)    | Php750,000.00   |
| Ephyro Luis B. Amatong (Independent Director) | Php750,000.00   |
| Total                                         | Php2,200,000.00 |

\* These directors do not receive per diem in their capacity as directors of the Company and members of certain committees.

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

There are no outstanding warrants or options held by the Company's CEO, the above-named executive officers, and all officers and directors as a group which are subject to the approval by the stockholders at the annual stockholders' meeting.

There is no action to be taken at the annual meeting of the stockholders on 23 April 2026 with respect to any bonus, profit sharing or other compensation plan, contract or arrangement, and pension or retirement plan, in which any director, nominee for election as a director, or executive officer of FLI will participate. Neither is there any proposed grant or extension to any such persons of any option, warrant or right to purchase any securities of FLI.

## Item 11. Security Ownership of Certain Beneficial Owners and Management

### 11.1. Security Ownership of Certain Beneficial Owners as of December 31, 2025:

| Title of Class of Securities | Name/ Address of Record Owner and Relationship with FLI                                                                            | Name of Beneficial Owner/Relationship with Record Owner | Citizenship  | No. of Shares Held             | % of Ownership |
|------------------------------|------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------|--------------|--------------------------------|----------------|
| Preferred                    | Filinvest Development Corporation<br>The Beaufort, 5th Avenue corner 23rd Street, Bonifacio Global City, Taguig City, Metro Manila | FDC <sup>2</sup>                                        | Filipino     | 8,000,000,000 preferred shares | 100.00%        |
| Common                       | Filinvest Development Corporation<br>The Beaufort, 5th Avenue corner 23rd Street, Bonifacio Global City, Taguig City, Metro Manila | FDC <sup>3</sup>                                        | Filipino     | 15,926,610,981                 | 71.15%         |
| Common                       | PCD Nominee Corporation (Filipino)<br>G/F, Philippine Stock Exchange Tower, Ayala Avenue, Makati City                              | Same as Record Owner                                    | Filipino     | 3,298,873,788                  | 14.74%         |
| Common                       | PCD Nominee Corporation (Non-Filipino)<br>G/F, Philippine Stock Exchange Tower, Ayala Avenue, Makati City                          | Please see footnote 4 below. <sup>4</sup>               | Non-Filipino | 1,878,047,819                  | 8.39%          |

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

<sup>3</sup> Ms. Lourdes Josephine Gotianun Yap is usually appointed by Filinvest Development Corporation ("FDC") as its representative, with authority to vote FDC's shares in stockholders' meetings of FLI

<sup>4</sup> Based on the SEC Form 18-AS submitted by Dunross & Co. S.A. SICAV – SIF dated January 27, 2025, it holds 1,617,900,000 common shares of the Company or 6.67% of the outstanding capital stock of the Company (pre-voluntary tender offer). Moreover, based on the List of Participants provided by the Company's stock transfer agent, one participant holds 1,632,268,166 shares or 7.29%, namely, The Hongkong and Shanghai Banking Corp. Ltd.-Clients' Acct.

Except as stated above, the Board of Directors and Management of the Company have no knowledge of any person who, as of the date of the annual report, was directly or indirectly the beneficial owner of more than five percent (5%) of the Company's outstanding shares or who has voting power or investment power with respect to shares comprising more than five percent (5%) of the Company's outstanding common stock. Ms. Josephine G. Yap is usually appointed by Filinvest Development Corporation ("FDC") as its representative with authority to vote FDC's shares in stockholders' meetings of FLI.

## 11.2. Security Ownership of Management as of December 31, 2025

As of **31 December 2025**, 1,878,047,819 or 6.18% of the total outstanding voting shares of FLI are owned by foreigners.

The names, citizenship, number of shares held and percentage to total outstanding shares of persons forming part of the Board of Directors and Management of the Company as of **31 December 2025** as shown in the Public Ownership Report are as follows:

| <b>Title of Class of Securities</b> | <b>Name</b>                    | <b>Amount and Nature of Ownership</b> | <b>Citizenship</b> | <b>Percentage of Ownership</b> |
|-------------------------------------|--------------------------------|---------------------------------------|--------------------|--------------------------------|
| Common                              | Lourdes Josephine Gotianun Yap | 91 (D)*<br>38,716,303 (I)             | Filipino           | 0.0000% (D)<br>0.1730% (I)     |
| Common                              | Michael Edward T. Gotianun     | 11,235,928 (D)                        | Filipino           | 0.0502% (D)                    |
| Common                              | Jonathan T. Gotianun           | 61 (D)<br>3,281,966 (I)               | Filipino           | 0.0000% (D)<br>0.0148% (I)     |
| Common                              | Rhoda A. Huang                 | 95,712 (D)                            | Filipino           | 0.0004% (D)                    |
| Common                              | Francis Nathaniel C. Gotianun  | 32,518 (D)                            | Filipino           | 0.0001% (D)                    |
| Common                              | Tristaneil D. Las Marias       | 1 (D)                                 | Filipino           | 0.0000% (D)                    |
| Common                              | Ephyro Luis B. Amatong         | 1 (D)                                 | Filipino           | 0.0000% (D)                    |
| Common                              | Ernesto S. De Castro           | 1 (D)                                 | Filipino           | 0.0000% (D)                    |
| Common                              | Gemilo J. San Pedro            | 1 (D)                                 | Filipino           | 0.0000% (D)                    |
| Common                              | Ana Venus A. Mejia             | 233,000 (I)                           | Filipino           | 0.0010% (I)                    |
| Common                              | Winnifred H. Lim               | 1,026,563 (I)                         | Filipino           | 0.0046% (I)                    |
| N.A.                                | Francis V. Ceballos            | 0                                     | Filipino           | N.A.                           |
| N.A.                                | Reynaldo Juanito S. Nieva II   | 0                                     | Filipino           | N.A.                           |
| N.A.                                | Mary Averose D. Valederrama    | 0                                     | Filipino           | N.A.                           |
| N.A.                                | D'Artagnan M. Aguilar          | 0                                     | Filipino           | N.A.                           |
| Common                              | Luis L. Fernandez              | 4,064,940 (D)                         | Filipino           | 0.02% (D)                      |
| N.A.                                | Gerard C. Marcelo              | 0                                     | Filipino           | N.A.                           |
| N.A.                                | Wilbert B. Serrano             | 0                                     | Filipino           | N.A.                           |
| N.A.                                | Sean Philip R. Imperial        | 0                                     | Filipino           | N.A.                           |
| N.A.                                | Maria Arabelle B. Solidum      | 0                                     | Filipino           | N.A.                           |
| Common                              | Estrella C. Elamparo           | 0                                     | Filipino           | N.A.                           |
| N.A.                                | Katrina O. Clemente-Lua        | 0                                     | Filipino           | N.A.                           |
| N.A.                                | Jennifer C. Lee                | 0                                     | Filipino           | N.A.                           |

| <b>Title of Class of Securities</b> | <b>Name</b>            | <b>Amount and Nature of Ownership</b> | <b>Citizenship</b> | <b>Percentage of Ownership</b> |
|-------------------------------------|------------------------|---------------------------------------|--------------------|--------------------------------|
| N.A.                                | Melissa C. Ortiz       | 0                                     | Filipino           | N.A.                           |
| N.A.                                | Michael R. Roxas       | 0                                     | Filipino           | N.A.                           |
| N.A.                                | Heherson M. Ibardaloza | 0                                     | Filipino           | N.A.                           |

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

Total ownership of all directors and officers as a group as of 31 December 2025 is 0.2621% of the total issued and outstanding common shares of stock.

### **11.3. Voting Trust Holders of 5% or more**

There are no persons holding 5% or more of a class of shares under any voting trust or similar agreement.

### **11.4. Changes in Control**

There are no arrangements which may result in a change in control of FLI. There has been no change in control of FLI since the beginning of the last fiscal year. There were no matters submitted to a vote of the security holders during the fourth quarter of the calendar year covered by this report.

## **Item 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

The Parent Company and its subsidiaries, in their normal course of business, have certain related party transactions with affiliates principally consisting of advances and intercompany charges.

Please refer to the Detailed Discussion on the Parent Company's Subsidiaries, Joint Ventures, Affiliate and Related Party Transactions in Section 1.3, 1.4, 1.5 and 1.10, respectively.

## **PART IV – COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE**

### **Item 13. CORPORATE GOVERNANCE**

For the year 2025, FLI substantially complied with the Philippine Stock Exchange (PSE) and the Securities and Exchange Commission (SEC) regulatory requirements. It is also in compliance with its Revised Manual for Corporate Governance. In particular, the Company wishes to highlight the following: (a) the election of three (3) independent directors to the Board; (b) the appointment of members of the Board Committees, namely the Executive Committee, the Audit & Risk Management Oversight Committee, the Compensation Committee, the Related-Party Transaction Committee, and the Corporate Governance Committee; (c) the conduct of regular quarterly board meetings and special meetings with the faithful attendance of the directors at these meetings and their proper discharge of duties and responsibilities as such directors; (d) the submission of Sustainability Report; (e) the timely submission to the SEC of reports and disclosures required under the Securities Regulation Code (SRC) and the PSE Listing and Disclosure Rules; (f) the submission of sustainability report, (g) appointment of its Chief Audit Executive; (h) FLI's adherence to national and local laws pertaining to its operations; (i) the observance of applicable accounting standards by FLI; (j) the conduct of annual corporate governance seminar attended to by its directors and officers; and (k) the continuous enhancement of FLI's website to provide our shareholders and stakeholders with ease of reference to our corporate governance policies.

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

FLI was among the honorees at the Golden Arrow Awards presented on September 19, 2024 by the ICD. FLI was recognized as one of the top performing publicly-listed companies in the Philippines based on the ASEAN Corporate Governance Scorecard (ACGS) 2023 results. The ACGS is used to assess and rank the corporate governance performance of publicly listed companies in six participating ASEAN countries, namely: Indonesia, Philippines, Malaysia, Vietnam, Singapore and Thailand using publicly available information.

### **Board of Directors**

Leading the practice of good Corporate Governance is the Board of Directors, which is firmly committed to the adoption of and compliance with the best practices in Corporate Governance as well as the observance of all relevant laws, regulations, and ethical business practices.

#### *Nominations and Voting for the Board of Directors*

The members of the Board are elected during the annual stockholders' meeting. The stockholders, minority or otherwise, of FLI may nominate individuals to be members of the Board of Directors.

The Corporate Governance Committee, acting as the Nomination Committee, receives nominations for directors as may be submitted by the stockholders. After the deadline for the submission thereof, the Corporate Governance Committee, acting as the Nomination Committee, meets to consider the



qualifications as well as grounds for disqualification, if any, of the nominees based on the criteria set forth in FLI's Revised Manual on Corporate Governance, SRC and related issuances of the SEC.

All nominations shall be signed by the nominating stockholders together with the acceptance and conformity by the would-be nominees. The Corporate Governance Committee, acting as the Nomination Committee, shall then prepare a Final List of Candidates enumerating the nominees who passed the screening. The name of the person or group of persons who recommends nominees as independent directors shall be disclosed along with his or their relationship with such nominees.

Only nominees whose names appear on the Final List of Candidates shall be eligible for election as directors. No other nomination shall be entertained after the Final List of Candidates shall have been prepared. No further nomination shall be entertained or allowed during the annual meeting.

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

A stockholder may vote such number of shares for as many persons as there are directors to be elected. He may cumulate said shares and give one candidate as many votes as the number of directors to be elected multiplied by the number of his shares, or he may distribute them on the same principle among as many candidates as he shall see fit; Provided, that the total number of votes casted by him shall not exceed the number of shares owned by him as shown in the books of FLI multiplied by the number of directors to be elected.

The directors of FLI are elected at the annual stockholders' meeting, to hold office for one (1) year and until their respective successors have been duly appointed or elected and qualified. Vacancies in the Board occurring mid-term are filled as provided in the Revised Corporation Code (RCC) and FLI's Revised Manual on Corporate Governance. Officers and committee members are appointed or elected by the Board of Directors typically at its first meeting following the annual stockholders' meeting, each to hold office until his successor shall have been duly elected or appointed and qualified.

### *Independent Directors*

Before the annual meeting, a stockholder of FLI may nominate individuals to be independent directors, taking into account the following guidelines:

- A. "Independent director" means a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgement in carrying out his responsibilities as director in any corporation that meets the requirements of Section 17.2 of the Securities Regulation Code and includes, among others, any person who:
  - i. Is not a director or officer or substantial stockholder of FLI or of its related companies or any of its substantial shareholders (other than as an independent director of any of the foregoing);
  - ii. Is not a relative of any director, officer, or substantial stockholder of FLI, any of its related companies or any of its substantial shareholders. For this purpose, "relative" includes spouse, parent, child, brother, sister, and the spouse of such child, brother, or sister;
  - iii. Is not acting as a nominee or representative of a substantial shareholder of FLI, any of its related companies or any of its substantial shareholders;

- iv. Has not been employed in an executive capacity by FLI, any of its related companies or any of its substantial shareholders within the last two (2) years;
  - v. Is not related as a professional adviser of FLI, any of its related companies or any of its substantial shareholders within the last two (2) years, either personally or through his firm;
  - vi. Has not engaged and does not engage in any transaction with FLI or any of its related companies or any of its substantial shareholders, whether by himself or with other persons or through a firm of which he is a partner or a company of which he is a director or substantial shareholder, other than transactions which are conducted at arms-length and are immaterial or insignificant.
- B. When used in relation to FLI, subject to the requirements above:
- i. “Related company” means another company which is: (a) its holding company, (b) its subsidiary, or (c) a subsidiary of its holding company; and
  - ii. “Substantial shareholder” means any person who is directly or indirectly the beneficial owner of more than ten percent (10%) of any class of its equity security.
- C. An independent director of FLI shall have the following qualifications:
- i. He shall have at least one (1) share of stock of FLI;
  - ii. He shall be at least a college graduate or he shall have been engaged in or exposed to the business of FLI for at least five (5) years;
  - iii. He shall possess integrity/probity; and
  - iv. He shall be assiduous.
- D. No person enumerated under Part III, Item A, Par. 8 (on Disqualifications of Directors) of the Revised Manual of Corporate Governance shall qualify as an independent director. He shall likewise be disqualified during his tenure under the following instances or causes:
- i. He becomes an officer or employee of FLI;
  - ii. His beneficial security ownership exceeds 2% of the outstanding capital stock of FLI;
  - iii. He fails, without any justifiable cause, to attend at least 50% of the total number of board meetings during his incumbency unless such absences are due to grave illness or death of an immediate family member;
  - iv. If he becomes disqualified under any of the grounds stated in FLI’s Revised Manual on Corporate Governance.
- E. Pursuant to SEC MC No. 09, Series of 2011, as amended by SEC MC No. 04, Series of 2017, and SEC MC no. 07, Series of 2026, the additional guidelines shall be observed in the qualification of individuals to serve as independent directors:
- i. There shall be no limit in the number of covered companies that a person may be elected as Independent Director, except in business conglomerates where an ID can be elected to only five (5) companies of the conglomerate, i.e., parent company, subsidiary or affiliate;
  - ii. An independent director shall be elected for a term of one (1) year, and shall serve for a maximum cumulative term of nine (9) years in the same company. An independent director elected before the effectivity of SEC Memorandum Circular No. 7, Series of 2026 shall be subject to the same 9-year maximum term reckoned from calendar year 2012;

- iii. **Computation of Nine-Year Term Limit**
  - a. In case of continuous or consecutive service of an ID as such, the nine-year maximum term limit shall fall on (i) the date of the Annual Stockholders' Meeting (ASM) per the by-laws of the company, or (ii) on any other ASM date priorly approved by the Commission.
  - b. In case of intermittent service of an ID as such, the cumulative tenure shall not exceed nine (9) years. For this purpose, on the ID's ninth year term as such, the maximum term limit shall fall on (i) the date of the ASM, per the by-laws of the company, or (ii) any other ASM date priorly approved by the Commission.
  - c. In case an ID is elected as non-independent director or officer of the company within the nine-year term limit, he can be elected again as an ID of the same company only after observing a cooling off period of two (2) years from the date he ceases being a non-independent director or officer, provided that the cumulative service as ID has not yet reached the nine (9) year maximum limit.
- iv. An independent director who has served the maximum cumulative term shall be barred perpetually from re-election as an independent director of the same company, without prejudice to serving as a non-independent director or officer of the same company without any cooling-off period

*Members of the Board of Directors, Attendance and Committee Memberships*

The following table lists down the members of the Board of Directors and their attendance in Board Meetings in 2025.

| <b>Board</b> | <b>Name</b>                    | <b>No. of Meetings Held during the year</b> | <b>No. of Meetings Attended</b> | <b>%</b> |
|--------------|--------------------------------|---------------------------------------------|---------------------------------|----------|
| Chairman     | Jonathan T. Gotianun           | 7                                           | 7                               | 100%     |
| Member       | Lourdes Josephine Gotianun Yap | 7                                           | 7                               | 100%     |
| Member       | Michael Edward T. Gotianun     | 7                                           | 7                               | 100%     |
| Member       | Francis Nathaniel C. Gotianun  | 7                                           | 5                               | 71%      |
| Member       | Rhoda A. Huang                 | 7                                           | 7                               | 100%     |
| Member       | Tristaneil D. Las Marias       | 7                                           | 7                               | 100%     |
| Independent  | Ernesto S. De Castro           | 7                                           | 7                               | 100%     |
| Independent  | Gemilo J. San Pedro            | 7                                           | 7                               | 100%     |
| Independent  | Ephyro Luis B. Amatong         | 7                                           | 7                               | 100%     |

| <b>Committee Membership</b>     |                                                                                                                                                                                        |
|---------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Name</b>                     | <b>Position</b>                                                                                                                                                                        |
| Jonathan T. Gotianun            | Member – Executive Committee<br>Member - Audit & Risk Management Oversight Committee<br>Member – Corporate Governance Committee                                                        |
| Lourdes Josephine Gotianun -Yap | Chairperson – Executive Committee<br>Member - Audit & Risk Management Oversight Committee<br>Chairperson – Compensation Committee                                                      |
| Tristaneil D. Las Marias        | Member – Executive Committee                                                                                                                                                           |
| Michael Edward T. Gotianun      | Member – Executive Committee                                                                                                                                                           |
| Francis Nathaniel C. Gotianun   | Member – Executive Committee                                                                                                                                                           |
| Rhoda A. Huang                  | Member – Executive Committee                                                                                                                                                           |
| Ephyro Luis B. Amatong          | Member – Audit & Risk Management Oversight Committee<br>Member – Compensation Committee<br>Chairman – Related-Party Transaction Committee<br>Chairman – Corporate Governance Committee |
| Ernesto S. De Castro            | Member – Audit & Risk Management Oversight Committee<br>Member – Compensation Committee<br>Member – Corporate Governance Committee<br>Member – Related-Party Transaction Committee     |
| Gemilo J. San Pedro             | Chairman – Audit & Risk Management Oversight Committee<br>Member – Compensation Committee<br>Member – Corporate Governance Committee<br>Member – Related-Party Transaction Committee   |

#### *Duties and Responsibilities of the Different Board Committees*

#### **Executive Committee**

#### **Committee Members**

| <b>Office</b> | <b>Name</b>                    | <b>No. of Meetings Held</b> | <b>No. of Meetings Attended</b> | <b>%</b> |
|---------------|--------------------------------|-----------------------------|---------------------------------|----------|
| Chairperson   | Lourdes Josephine Gotianun Yap | 8                           | 8                               | 100%     |
| Member        | Jonathan T. Gotianun           | 8                           | 8                               | 100%     |
| Member        | Michael Edward T. Gotianun     | 8                           | 8                               | 100%     |
| Member        | Francis Nathaniel C. Gotianun  | 8                           | 8                               | 100%     |
| Member        | Tristaneil D. Las Marias       | 8                           | 8                               | 100%     |
| Member        | Rhoda A. Huang*                | 5                           | 4                               | 80%      |

\*Rhoda A. Huang was appointed as new member of the Executive Committee during the Organizational Meeting of the Board held on April 24, 2025.

The functions, duties and responsibilities of the Board of Directors may be delegated, to the fullest extent permitted by law, to an Executive Committee to be established by the Board of Directors. The Executive Committee shall consist of five (5) members, at least three (3) of whom shall be members of the Board of Directors. All members of the Executive Committee shall be appointed by and under the control of the Board of Directors.

The Executive Committee may act on such specific matters within the competence of the Board of Directors as may be delegated to it by a majority vote of the Board of Directors, except with respect to: (i) approval of any action for which shareholders' approval is also required; (ii) the filing of vacancies in the Board of Directors; (iii) the amendment or repeal of these By-Laws or the adoption of new by-laws;

(iv) the amendment or repeal of any resolution of the Board of Directors which by its express terms is not so amendable or repealable; and (v) the distribution of cash dividends to shareholders.

The act of the Executive Committee on any matter within its competence shall be valid if (i) it is approved by the majority vote of all its members in attendance at a meeting duly called where a quorum is present and acting throughout, or (ii) it bears the written approval or conformity of all its incumbent members without necessity for a formal meeting.

The Executive Committee shall hold its regular meeting at least once a month or as often as it may determine, in the principal office of the Corporation or at such other place as may be designated in the notice, or through remote communication in accordance with relevant laws, rules and regulations. Any member of the Executive Committee may, likewise, call a meeting of the Executive Committee at any time. Notice of any meeting of the Executive Committee shall be given at least seven (7) business days prior to the meeting or such shorter notice period as may be mutually agreed. The notice shall be accompanied by (i) a proposed agenda or statement of purpose and (ii) where possible, copies of all documents, agreements and information to be considered at such meeting.

### **Audit & Risk Management Oversight Committee**

#### **Committee Members**

| <b>Office</b>    | <b>Name</b>                    | <b>No. of Meetings Held</b> | <b>No. of Meetings Attended</b> | <b>%</b> |
|------------------|--------------------------------|-----------------------------|---------------------------------|----------|
| Chairperson (ID) | Gemilo J. San Pedro            | 4                           | 4                               | 100%     |
| Member (ID)      | Ephyro Luis B. Amatong         | 4                           | 4                               | 100%     |
| Member (ID)      | Ernesto S. De Castro*          | 3                           | 3                               | 100%     |
| Member           | Lourdes Josephine Gotianun Yap | 4                           | 4                               | 100%     |
| Member (ID)      | Jonathan T. Gotianun*          | 3                           | 3                               | 100%     |

\*Ernesto S. De Castro and Jonathan T. Gotianun were appointed as new members of the Audit and Risk Management Oversight Committee during the Organizational Meeting of the Board held on April 24, 2025.

The Board shall constitute an Audit and Risk Management Committee to be composed of at least three (3) qualified non-executive directors, preferably with accounting and financial background, majority of which shall be independent and should have related audit experience.

The Chairman of this Committee should be an independent director. He should inculcate in the minds of Board members the importance of management responsibilities in maintaining a sound system of internal control and the Board's oversight responsibility.

The Audit and Risk Management Committee shall have the following duties and responsibilities:

#### **1. Internal Audit**

- i. Recommend the approval of the Internal Audit Charter ("IA Charter"), which formally defines the role of Internal Audit and the audit plan as well as oversees the implementation of the IA Charter;
- ii. Provide oversight financial management functions specifically in the areas of managing credit, market, liquidity, operational, legal and other risks of the Corporation, and crisis management;
- iii. Provide oversight of the Corporation's internal and external auditors;
- iv. Review and approve audit scope and frequency, and the annual internal audit plan;

- v. Discuss with the external auditor before the audit commences the nature and scope of the audit, and ensure coordination where more than one (1) audit firm is involved;
- vi. Set up an internal audit department and consider the appointment of an internal auditor as well as an independent external auditor, the audit fee and any question of resignation or dismissal;
- vii. Monitor and evaluate the adequacy and effectiveness of the Corporation's internal control system;
- viii. Receive and review reports of internal and external auditors and regulatory agencies, where applicable, and ensure that management is taking appropriate corrective actions, in a timely manner, in addressing control and compliance functions with regulatory agencies;
- ix. Review the quarterly, half-year and annual financial statements before submission to the Board with particular focus on the following matters:
  - Any change/s in accounting policies and practices
  - Major judgmental areas
  - Significant adjustments resulting from the audit
  - Going concern assumptions
  - Compliance with accounting standards
  - Compliance with tax, legal and regulatory requirements
- x. Coordinate, monitor, and facilitate compliance with existing laws, rules, and regulations;
- xi. Evaluate and determine non-audit work by external auditor and keep under review the non-audit fees paid to the external auditor both in relation to their significance to the auditor and in relation to the Corporation's total expenditure on consultancy. The non-audit work should be disclosed in the Annual Report; and
- xii. Establish and identify the reporting line of the CAE so that the reporting level allows the internal audit activity to fulfill its responsibilities. The CAE shall report directly to the audit Committee functionally. The Audit committee shall ensure that the internal auditors shall have free and full access to the Corporation's records, properties and personnel relevant to the internal audit activity, and that the internal audit activity should be free from interference in determining the scope of internal auditing examinations, performing work, and communicating results, and shall provide a venue for the Audit Committee to review and approve the annual internal audit plan.

## 2. Risk Management

- i. Develop and oversee the Corporation's risk management program;
- ii. Oversee the system of limits to discretionary authority that the Board delegates to the Management, ensure that the system remains effective, that the limits are observed and that immediate corrective actions are taken whenever limits are breached;
- iii. Advise the Board on its risk appetite levels and risk tolerance limits;
- iv. Assess the probability of each identified risk becoming a reality and estimates its possible significant financial impact and likelihood of occurrence;
- v. Provides oversight over Management's activities in managing credit, market, liquidity, operational, legal and other risk exposures of the corporation. This function includes

regularly receiving information on risk exposures and risk management activities from Management; and

- vi. Report to the Board on a regular basis, or as deemed necessary, the Corporation's material risk exposures, the actions taken to reduce the risks, and recommends further action or plans, as necessary;
- vii. Performs other duties and responsibilities as the Committee may deem appropriate within the scope of its primary functions or as may be assigned by the Board; and
- viii. Other duties and responsibilities are provided in the Audit and Risk Management Committee Charter.

The Board of Directors, through the Audit and Risk Management Oversight Committee, periodically conducts a review of the company's internal controls, risk management, compliance and governance processes to ensure its adequacy and effectiveness.

## Compensation Committee

### Committee Members

| Office      | Name                           | No. of Meetings Held | No. of Meetings Attended | %    |
|-------------|--------------------------------|----------------------|--------------------------|------|
| Chairperson | Lourdes Josephine Gotianun Yap | 1                    | 1                        | 100% |
| Member (ID) | Ephyro Luis B. Amatong         | 1                    | 1                        | 100% |
| Member (ID) | Ernesto S. De Castro           | 1                    | 1                        | 100% |
| Member (ID) | Gemilo J. San Pedro            | 1                    | 1                        | 100% |

The Compensation Committee is composed of at least three (3) Director-members, two (2) of whom must be independent directors.

The Compensation Committee shall have the following duties and responsibilities:

- The Committee shall periodically review FLI's compensation philosophy, principles, and practices including Director and Key Executive compensation.
- The Committee shall ensure that the compensation program is appropriate for the job and ensure that it appropriately motivates employee and discourage excessive risk-taking.
- The Committee shall ensure that measurable standards align the performance-based remuneration of officers in key executive positions, regardless of their engagement agreement.
- The Committee shall disallow any director to decide on his/her own remuneration.
- The Committee, as needed, will review the overall remuneration policy covering all employees of the Company.
- The Committee shall make regular reports to the Board on any compensation related items that the Board should be apprised of.



## Corporate Governance Committee

### Committee Members

| Office        | Name                    | No. of Meetings Held |   | No. of Meetings Attended | %    |
|---------------|-------------------------|----------------------|---|--------------------------|------|
| Chairman (ID) | Ephyro Luis B. Amatong* | 1                    |   | 1                        | 100% |
| Member        | Jonathan T. Gotianun    | 1                    | 1 | 100%                     |      |
| Member (ID)   | Ernesto S. De Castro    | 1                    | 1 | 100%                     |      |
| Member (ID)   | Gemilo J. San Pedro     | 1                    | 1 | 100%                     |      |

The Corporate Governance Committee shall assist the Board in fulfilling its corporate governance and compliance responsibilities. The Committee shall be composed of the Chairman of the Board and at least three (3) members of the Board, all of whom shall be independent directors. The Chairman of the Committee shall be an independent director.

The Corporate Governance Committee shall have the following duties and responsibilities:

1. Ensure the effectiveness and due observance of corporate governance principles and guidelines of the Board, its committees and executive management;
2. Oversee the periodic performance evaluation of the Board and its committees as well as executive management, and conducts an annual self-evaluation of its performance;
3. Ensures that the results of the Board evaluation are shared, discussed, and that concrete action plans are developed and implemented to address the identified areas for improvement;
4. Adopts corporate governance policies and ensures that these are reviewed and updated regularly, and consistently implemented in form and substance;
5. Make recommendations to the Board regarding the continuing education of directors, assignment to Board Committees and succession plan for the Board members and senior officers;
6. Determine the nomination and election process for the Corporation's directors and other positions requiring appointment by the Board, define the general profile of board members that the Corporation may need and ensure that appropriate knowledge, competencies and expertise will complement the existing skills of the Board;
7. Establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Corporation's culture and strategy as well as the business environment in which it operates;
8. Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance;
9. Review with the Compliance Officer, at least on annual basis, any legal or regulatory matter that could have a significant impact on the Corporation's financial statements, compliance with applicable laws and regulations, and inquiries received from regulators or governmental agencies; and

10. Obtain an annual report from the Compliance Officer regarding the adequacy of the Corporation's compliance program.

The Corporate Governance Committee shall also serve as the Nomination Committee. It shall review and evaluate the qualifications of all persons nominated to the board as well as those nominated to other positions requiring appointment by the Board and assess the effectiveness of the Board's process and procedures in the election or replacement of directors.

The Corporate Governance Committee, acting as the Nomination Committee may consider the following guidelines in the determination of the number of directorships for the Board members:

- The nature of the business of the Corporations in which he is a director;
- Age of the director;
- Number of directorships/active memberships and officerships in other corporations or organizations; and
- Possible conflict of interest.

The Chief Executive Officer and other executive directors shall submit themselves to a low indicative limit on membership in other corporate Boards. The same low limit shall apply to independent, non-executive directors who serve as full-time executives in other corporations. In any case, the capacity of directors to serve with diligence shall not be compromised.

The Corporate Governance Committee, acting as the Nomination Committee, may pre-screen and shortlist all candidates nominated to become a member of the Board of Directors, taking into account the qualifications and the grounds for disqualifications as set forth in FLI's Revised Manual of Corporate Governance and the Securities Regulation Code.

The Corporate Governance Committee, acting as the Nomination Committee, promulgates the guidelines or criteria to govern the conduct of the nomination for members of the Board of Directors. The same shall be properly disclosed in the Company's information statement or such other reports required to be submitted to the Securities and Exchange Commission (SEC).

The review and evaluation of nominations for independent directors is conducted by the Committee before the stockholders' meeting.

The Committee pre-screens the qualifications and prepares a final list of all candidates and put in place screening policies and parameters to enable it to effectively review the qualifications of the nominees for independent directors as set forth in the Company's Revised Manual on Corporate Governance.

After the review and evaluation, the Committee prepares a Final List of Candidates which contains all the information about all the nominees for independent directors, and is made available to the PSE, SEC and all stockholders through the filing and distribution of the Information Statement, or in such reports the Company is required to submit to the PSE and SEC. The name of the person or group of persons who recommended the nomination of the independent director shall be identified in such report, including any relationship with the nominee.

## Related-Party Transaction Committee

### Committee Members

| Office        | Name                   | No. of Meetings Held |   | No. of Meetings Attended | %    |
|---------------|------------------------|----------------------|---|--------------------------|------|
| Chairman (ID) | Ephyro Luis B. Amatong | 1                    | 1 | 100%                     |      |
| Member (ID)   | Ernesto S. De Castro   | 1                    | 1 | 100%                     |      |
| Member (ID)   | Gemilo J. San Pedro    | 1                    |   | 1                        | 100% |

The Board constituted a Related-Party Transaction Committee to be composed of at least three (3) non-executive directors, two (2) of whom shall be independent, including the Chairman of the Committee.

The Related-Party Transaction Committee shall have the following duties and responsibilities:

1. Conduct continuous evaluation and monitoring of existing relations among counterparties to ensure that all related parties are identified, RPTs are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured. Related parties, RPTs and changes in relationships should be reflected in the relevant reports to the Board and the SEC;
2. Evaluate all material RPTs to ensure that these are transacted on an arm's length basis and that no corporate or business resources of the company are misappropriated or misapplied, and to determine any potential reputational risk issues that may arise as a result of or in connection with the transactions.

In evaluating RPTs, the Committee may take into account the following:

- The related party's relationship to the Corporation and interest in the transaction;
  - The material facts of the proposed RPT, including the proposed aggregate value of such transaction;
  - The benefits to the Corporation of the proposed RPT;
  - The availability of other sources of comparable products or services; and
  - An assessment of whether the proposed RPT is on terms and conditions that are comparable to the terms generally available to an unrelated party under similar circumstances. The company should have an effective price discovery system in place and exercise due diligence in determining a fair price for RPTs.
3. Ensure that appropriate disclosure is made to the regulating and supervising authorities relating to the Corporation's RPT exposures, and policies on conflicts of interest or potential conflicts of interest;
  4. Report to the Board on a regular basis, the status and aggregate exposures to each related party, as well as the total amount of exposures to all related parties;
  5. Ensures that transactions with related parties, including write-off of exposures are subject to a periodic independent review or audit process; and
  6. Oversees the implementation of the system for identifying, monitoring, measuring, controlling, and reporting RPTs, including a periodic review of RPT policies and procedures

## **Shareholders' Benefits**

The Corporation recognizes that the most cogent proof of good corporate governance is that which is visible to the eyes of its investors. FLI strictly upholds the rights of its shareholders, which include but is not limited to:

### **A. Right to Nominate and Vote**

- Shareholders shall have the right to elect, remove and replace directors and vote on certain corporate acts in accordance with the Corporation Code.
- Cumulative voting shall be used in the election of directors.
- A director shall not be removed without cause if it will deny minority shareholders representation in the Board.

### **B. Power of Inspection**

- All shareholders shall be allowed to inspect corporate books and records including minutes of Board meetings and stock registries in accordance with the Corporation Code, during business hours and upon prior written notice to the Corporation.
- All Shareholders shall be furnished with annual reports, including financial statements, without cost or restrictions.

### **C. Right to Information**

- The Shareholders shall be provided, upon request, with periodic reports which disclose personal and professional information about the directors and officers and certain other matters such as their holdings of the Corporation's shares, dealings with the Corporation, relationships among directors and key officers, and the aggregate compensation of directors and officers.
- The minority shareholders shall be granted the right to propose the holding of a meeting, and the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes.
- The minority shareholders shall have access to any and all information relating to matters for which the management is accountable for and to those relating to matters for which the management shall include such information and, if not included, then the minority shareholders shall be allowed to propose to include such matters in the agenda of stockholders' meeting, being within the definition of "legitimate purposes".

## **D. Right to Dividends**

- Shareholders shall have the right to receive dividends subject to the discretion of the Board.
- The SEC may direct the Corporation to declare dividends when its retained earnings shall be in excess of 100% of its paid-in capital stock, except: i) when justified by definite corporate expansion projects or programs approved by the Board; or ii) when the Corporation is prohibited under any loan agreement with any financial institution or creditor, whether local or foreign, from declaring dividends without its consent, and such consent has not been secured; or iii) when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Corporation, such as when there is a need for special reserve for probable contingencies.

## **E. Appraisal Right**

- The Shareholders shall have appraisal right or the right to dissent and demand payment of the fair value of their shares in the manner provided for under Section 82 of the Corporation Code of the Philippines, under any of the following circumstances:
  - a. In case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;
  - b. In case of sale, lease, exchange, transfer, mortgage, pledge, or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code; and
  - c. In case of merger or consolidation.

## **F. Right to Attend and Participate in Shareholders' Meetings**

- The Board should be transparent and fair in the conduct of the annual and special shareholders' meetings of the Corporation. The shareholders should be encouraged to personally attend such meetings and shall be notified of the date and place of the meeting at least 28 days before the meeting. If they cannot attend, they should be apprised ahead of time of their right to appoint a proxy. Subject to the requirements of the By-Laws, the exercise of that right shall not be unduly restricted and any doubt about the validity of a proxy should be resolved in the shareholder's favor.
- The results of the votes taken during the most recent annual or special stockholders' meetings shall be made publicly available within the next working day. The minutes of such meetings shall likewise be posted on the Corporation's website within five (5) business days from the date of the meeting.

It shall be the duty of the directors to promote shareholder rights, remove impediments to the exercise of shareholders' rights and allow possibilities to seek redress for violation of their rights. They shall encourage the exercise of shareholders' voting rights and the solution of collective action problems through appropriate mechanisms. They shall be instrumental in removing excessive costs and other administrative or practical impediments to shareholders participating in meetings and/or voting in person. The directors shall pave the way for the electronic filing and distribution of shareholder information necessary to make informed decisions subject to legal constraints.

The shareholders shall have a right to participate in decisions concerning fundamental corporate changes, such as but not limited to the Company's Articles of Incorporation, By-laws, transfer of all or substantial all of the Company's Assets, and election of directors through voting. The shareholders are encouraged to attend FLI's annual shareholders' meetings. All shareholders, whether minority or otherwise, shall be granted the right to the propose the holding of a meeting, the right to propose items in the agenda of the meeting, provided the items are for legitimate business purposes, and/or to request for general and special meetings, subject to the guidelines outlined in the Revised Corporation Code or as may be provided for in related issuances by the SEC. as may be issued by the SEC.

The Company conducts continuous dialogue with its shareholders, including institutional investors and implements active measure to encourage active participation of shareholdings during the ASM, through quarterly corporate investor briefings, one-on-one discussions, conference calls and written platforms such as electronic mail. The Company disclosed to the Philippine Stock Exchange the following investor briefings:

| <b>Date Disclosed</b> | <b>Date of Analyst and Investor Briefing</b> |
|-----------------------|----------------------------------------------|
| 04 March 2025         | 13 March 2025                                |
| 06 May 2025           | 13 May 2025                                  |
| 24 July 2025          | 04 August 2025                               |
| 28 October 2025       | 12 November 2025                             |

## **Annual Stockholders' Meeting and Procedures**

### *Notice of Annual Stockholders' Meeting*

On January 24, 2025, FLI disclosed to the Philippine Stock Exchange that its Board of Directors had fixed the date of the Annual Stockholders' Meeting on April 24, 2025 with the record date set on February 28, 2025. Stockholders were informed that the Annual Stockholders' Meeting for 2025 would be conducted virtually.

### *Procedures During the Annual Stockholders' Meeting*

The following was the agenda of the Annual Stockholders' Meeting last April 24, 2025:

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

On the same day, right after the annual stockholders' meeting, FLI disclosed to the Philippine Stock Exchange the results of the meeting which included the following:

- (a) Approval of the Minutes of the Annual Stockholders' Meeting held on 19 April 2024;
- (b) Presentation of the Management Report and Ratification of the Audited Financial Statements for the year ended 31 December 2024;
- (c) Ratification of all the acts, resolutions and proceedings of the Board of Directors, Board Committees and Management from the date of the last annual stockholders' meeting up to 24 April 2025;
- (d) Appointment of SyCip Gorres Velayo & Co. as the independent external auditor of FLI for the year 2025.

FLI also disclosed that the following were elected as directors, to serve for the period 2025-2026 and until their successors shall have been duly elected and qualified:

1. MR. JONATHAN T. GOTIANUN
2. MS. LOURDES JOSEPHINE GOTIANUN YAP
3. MR. FRANCIS NATHANIEL C. GOTIANUN
4. MR. MICHAEL EDWARD T. GOTIANUN
5. MS. RHODA A. HUANG
6. MR. TRISTANEIL D. LAS MARIAS
7. DR. ERNESTO S. DE CASTRO (as independent director)
8. MR. GEMILO J. SAN PEDRO (as independent director)
9. ATTY. EPHYRO LUIS B. AMATONG (as independent director)

FLI made another disclosure to the Philippine Stock Exchange regarding the Board approval of the following cash dividends declaration from the unrestricted retained earnings of FLI as of December 31, 2024:

**a. Common Shares**

Regular cash dividend: Php0.05 per share

Record Date: May 14, 2025

Payment Date: May 23, 2025

**b. Preferred Shares**

Amount of Dividend: Php0.0005 per share

Record Date: May 14, 2025

Payment Date: May 23, 2025



## PART V – EXHIBITS AND SCHEDULES

### Item 14. EXHIBITS AND REPORTS ON SEC Form 17-C

#### a) Exhibits

Exhibits as indicated in the Index to Exhibits are either not applicable to the Parent Company or require no answer.

#### b) Statutory Compliance

FLI fully complied with the Philippine Stock Exchange (PSE) and Securities and Exchange Commission (SEC) regulatory requirements. Below is the Company's Reportorial Compliance Report for the year 2025:

| Type of Report                                                           | Number of Filings |
|--------------------------------------------------------------------------|-------------------|
| <b>Financials</b>                                                        |                   |
| Annual Report (17-A)                                                     | 1                 |
| Quarterly Report (17-Q)                                                  | 3                 |
| Audited Financial Statements                                             | 1                 |
|                                                                          |                   |
| <b>Ownership</b>                                                         |                   |
| Annual List of Stockholders – for Annual Stockholders' Meeting           | 1                 |
| Foreign Ownership Monitoring Report                                      | 12                |
| Public Ownership Report                                                  | 4                 |
| Report on Number of Shareholders and Board Lot                           | 12                |
| Initial Statement of Beneficial Ownership of Securities (23-A)           | 3                 |
| Statement of Changes in Beneficial Ownership of Securities (23-B)        | 1                 |
| Top 100 Stockholders' List                                               | 4                 |
|                                                                          |                   |
| <b>Notices – Stockholders' Meetings/Briefings/Dividends</b>              |                   |
| Notice of Annual/Special Stockholders' Meeting                           | 1                 |
| Dividend Notice (part of disclosure on Results of Stockholders' Meeting) | 1                 |
| Notice of Analysts' Briefing                                             | 4                 |
|                                                                          |                   |
| <b>Other Disclosures</b>                                                 |                   |
| Certification – Qualifications of Independent Directors                  | 1                 |
| Clarifications of News Articles                                          | 0                 |
| Definitive Information Statement (20-IS)                                 | 1                 |
| General Information Sheet                                                | 6                 |
| Preliminary Information Statement (20-IS)                                | 1                 |
| SEC Form 17-C (Current Report)<br>Which includes the following:          |                   |
| 1. Results of Annual Stockholders' Meeting/Board Meetings                | 8                 |
| 2. Press Releases                                                        | 6                 |
| 3. Other Matters                                                         | 21                |

## **PART VI – SUSTAINABILITY REPORT**

A copy of Filinvest Land, Inc.'s 2025 Sustainability Report is hereby attached.

## **PART VII – REINVESTMENT PLAN PROGRESS REPORT**

### **REINVESTMENT PLAN**

As sponsor of FILRT, the REIT Law requires the Company to reinvest (a) any proceeds realized by it from the sale of FILRT shares or other securities issued in exchange for income-generating real estate transferred to the FILRT and (b) any money raised by the Company from the sale of any of its income generating real estate to FILRT, in any real estate, including any redevelopment thereof, and/or infrastructure projects in the Philippines within one (1) year of receipt of the proceeds.

Following current regulations, Filinvest Land intends to invest its net proceeds in the construction and development of its various office, retail and residential projects. Filinvest Land plans to invest the net proceeds in nine (9) office buildings, three (3) retail projects, five (5) mid-rise residential buildings as well as industrial lots. It also plans to use the funds for the purchase of land parcels for residential and commercial purposes and to expand the capacity of the District Cooling System in the Northgate Cyberzone. All disbursements for such projects are intended to be distributed within one year upon receipt of the proceeds from the secondary offer of FILRT shares. All of the projects for which the proceeds will be spent are located within the Philippines and none are to be spent outside of the Philippines. Filinvest Land does not intend to reinvest the net proceeds from the Offer Shares in any infrastructure project.

Filinvest Land shall monitor the actual disbursements of projects proposed in the Reinvestment Plan on a quarterly basis. For purposes of monitoring, Filinvest Land prepares quarterly progress reports of actual disbursements on the projects covered by the Reinvestment Plan. In the event of changes in the actual disbursements of projects proposed in the Reinvestment Plan, Filinvest Land, shall inform the SEC, PSE, BIR or the appropriate government agency, by sending a written notice to that effect.

As of December 31, 2022, the proceeds from the FILRT IPO have been fully spent.

|                                                        |     |                |
|--------------------------------------------------------|-----|----------------|
| Gross Proceeds from IPO                                | Php | 12,583,246,445 |
| Purchase of shares during the stabilization period     | -   | 2,281,800      |
| Underwriters and IPO-related fees                      | -   | 316,945,306    |
| Net Proceeds received                                  |     | 12,264,019,339 |
| Disbursements for Transaction Costs, Aug. 12- Sept. 30 | -   | 132,542,601    |
| Disbursements for Transaction Costs, Oct. 1- Dec. 31   | -   | 1,571,600      |
| Available for Reinvestment                             |     | 12,129,905,138 |
| Disbursements for Reinvestment Aug 12- Sept 30         | -   | 1,566,787,667  |
| Disbursements for Reinvestment Oct 1-Dec. 31           | -   | 872,622,139    |
| Disbursements for Reinvestment Jan.1- March 31, 2022   | -   | 2,016,678,604  |
| Disbursements for Reinvestment April 1-June 30, 2022   | -   | 2,725,572,490  |
| Disbursements for Reinvestment July 1-August 11, 2022  | -   | 4,948,244,238  |
| Balance of IPO Proceeds as of August 11, 2022          |     | 0              |
|                                                        |     |                |

A copy of Filinvest Land, Inc.’s REIT Reinvestment Plan Progress Report can be accessed via <https://filinvestland.com/investor-relations/reinvestment-plan>

On September 25, 2024, FLI announced that its Board has approved a capped voluntary tender offer to purchase or reacquire up to 1,866,000,000 common shares, equivalent to approximately 7.69% ownership of FLI’s outstanding and listed stock, in exchange of FILRT shares owned by FLI, at an exchange ratio of 0.32 FILRT share for every 1 FLI share tendered (the “Transaction”).

FLI engaged FTI Consulting to issue a valuation and fairness opinion to determine the reasonable and fair range of prices for both FLI and FILRT shares and the exchange ratio between them.

The Transaction provided FLI shareholders with the opportunity for their shares to be bought back in exchange for those of FILRT. FLI shareholders also stand to benefit from price appreciation and a stronger dividend yield from FILRT shares.

Upon the successful completion of the Transaction, public ownership of FILRT increased to 46.75%, broadening FILRT’s shareholder base, and placing it comfortably above the 33.33% minimum public ownership requirement for real estate investment trusts (“REITs”) as mandated by Republic Act No. 9856, otherwise known as “The Real Estate Investment Trust Act of 2009” (“REIT Act”), its implementing rules and regulations, the Amended Listing Rules for REITs of the Philippine Stock Exchange, Inc. (“PSE”), and related issuances.

The Transaction also provided FLI shareholders a compelling opportunity to participate in REITs, gaining exposure to a portfolio of income-generating properties with the potential for capital appreciation. FILRT’s portfolio consists of 17 Grade A and LEED Gold-certified office buildings that feature green and sustainability-themed elements. With over 300,000 square meters of gross leasable area (“GLA”), 16 of the buildings are located in Northgate Cyberzone in Filinvest City, Alabang. Another building, Filinvest Cyberzone Cebu Tower 1, is situated at the gateway of Cebu IT Park in Lahug, Cebu City. Rounding out the portfolio is 2.9 hectares of land leased to the owner and operator of Crimson Resort & Spa Boracay, bringing the REIT’s total GLA to over 330,400 square meters.

Pursuant to Securities and Exchange Commission (“SEC”) Memorandum Circular No.1 series of 2020 and Bureau of Internal Revenue (BIR) – Revenue Regulation No. 3-2020, any sponsor or promoter of a REIT who contributes income-generating real estate to a REIT shall submit a sworn statement to the SEC, the PSE, and the BIR, a reinvestment plan undertaking to reinvest any proceeds realized by the sponsor or promoter from the sale of REIT shares or other securities issued in exchange for income-generating real estate to the REIT, in any real estate, including any redevelopment thereof, and/or infrastructure

projects in the Philippines, within one (1) year from the date of receipt of proceeds or money by the sponsor/promoter.

Following current regulations, FLI intends to invest the monetary equivalent of the net proceeds of the Transaction in the construction and development of retail and residential projects. In particular, FLI plans to invest the net proceeds in nine projects including two (2) retail projects, seven (7) mid-rise residential buildings, and two (2) high-rise residential buildings. . All disbursements for such projects are intended to be distributed within one (1) year from December 11, 2024. All the projects for which the monetary equivalent of the proceeds will be spent are located within the Philippines and none are to be spent outside of the Philippines.

As of October 31, 2025, FLI already disbursed the total proceeds in the amount of One Billion Eight Hundred Forty One Million Fifty Seven Thousand Eight Hundred Forty Pesos and Fifty Centavos (P1,841,057,840.50), in accordance with its Reinvestment Plan.

The details of the disbursements are as follows:

|                                                     |     |                         |
|-----------------------------------------------------|-----|-------------------------|
| Gross Proceeds                                      | Php | 1,857,043,200.00        |
| Underwriters and transaction fees                   | -   | 15,985,359.50           |
| Net Proceeds received                               |     | <u>1,841,057,840.50</u> |
| Disbursements for Reinvestment Dec. 11-31, 2024     | -   | 171,595,002.38          |
| Disbursements for Reinvestment Jan.- March, 2025    | -   | 537,612,889.95          |
| Disbursements for Reinvestment April-June, 2025     | -   | 439,829,422.67          |
| Disbursements for Reinvestment July-September, 2025 | -   | 596,978,082.01          |
| Disbursements for Reinvestment October 2025         | -   | <u>95,042,443.49</u>    |
| Total Disbursements as of October 31, 2025          | -   | <u>1,841,057,840.50</u> |
| Balance of Proceeds as of October 31, 2025          | Php | <u><b>0.00</b></u>      |

A copy of Filinvest Land, Inc.'s Final Reinvestment Progress Report can be accessed via [https://filinvestland.com/sites/default/files/pdf\\_files/FLI\\_Final%20Reinvestment%20Report%20%28as%20of%20October%2031%20%2C%202025%29\\_12.1.25.pdf](https://filinvestland.com/sites/default/files/pdf_files/FLI_Final%20Reinvestment%20Report%20%28as%20of%20October%2031%20%2C%202025%29_12.1.25.pdf)

# INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES

## Form 17 A, Item 7

### Consolidated Financial Statements

1. Statement of Management's Responsibility for Financial Statements
2. Independent Auditor's Report on Consolidated Financial Statements
3. Consolidated Statements of Financial Position as of December 31, 2024 and 2023
4. Consolidated Statements of Income for the years ended December 31, 2024, 2023, and 2022
5. Consolidated Statements of Cash Flows for the years ended December 31, 2024, 2023, and 2022
6. Notes to Consolidated Financial Statements

### Supplementary Schedules

- Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration
- Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered
- Annex C: Supplementary Schedules Required by Annex 68-J
1. Schedule A. Financial Assets
  2. Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
  3. Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
  4. Schedule D. Long-term Debt
  5. Schedule E. Indebtedness to Related Parties
  6. Schedule F. Guarantees of Securities of Other Issuers
  7. Schedule G. Capital Stock

## SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of Mandaluyong, Metro Manila on \_\_\_\_\_.

By:

Tristaneil D. Las Marias  
President and CEO

Geraldine C. Caringal  
Controllership Head

Ana Venus A. Mejia  
EVP, CFO, Treasurer and COO

Katrina O. Clemente-Lua  
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAR 13 2026 day of \_\_\_\_\_ affiants exhibiting to me their Competent evidence of identity as follows:

| Name                    | Competent evidence of Identity | Issue Date | Expiry Date | Place issued |
|-------------------------|--------------------------------|------------|-------------|--------------|
| Tristaneil Las Marias   |                                |            |             |              |
| Ana Venus Mejia         |                                |            |             |              |
| Geraldine C. Caringal   |                                |            |             |              |
| Katrina O. Clemente-Lua |                                |            |             |              |

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Page No. 74  
Book No. 9  
Series of 2026

**JOVEN G. SEMILLANO**  
NOTARY PUBLIC FOR CITY OF MANDALUYONG  
COMMISSION NO. 0285-25 VALID UNTIL DECEMBER 31, 2026  
ROLL NO. 53970  
IBP LIFETIME NO. 011302; 12-28-2012; RIZAL  
PTR NO. 6028734; 1-5-26; MANDALUYONG  
MCLE EXEMPTION NO. VIII-ACAD004023 14 APRIL 2028  
UG 03 CITYLAND SHAW TOWER  
SHAW BOULEVARD, MANDALUYONG CITY

## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **FILINVEST LAND, INC. and SUBSIDIARIES** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended **December 31, 2025, 2024 and 2023**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

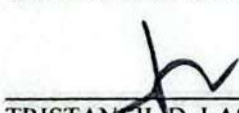
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

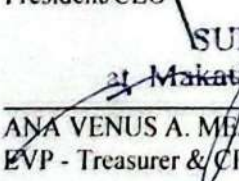
The Board of Directors is responsible for overseeing the Company's financial reporting process.

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

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

  
JONATHAN T. GOTIANUN  
Chairman of the Board

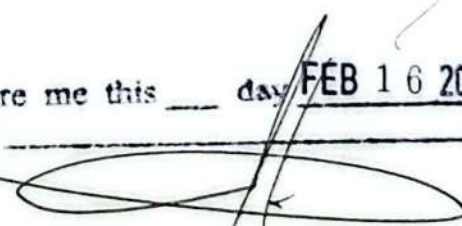
  
TRISTANEIL D. LAS MARIAS  
President/CEO

  
ANA VENUS A. MEJIA  
EVP - Treasurer & CFO and COO

Signed this \_\_\_\_ day of \_\_\_\_, 2026

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Page No. 44  
Book No. V  
Series of 20 26

SUBSCRIBED AND SWORN to before me this FEB 16 2026 day of \_\_\_\_  
at Makati City, affiant exhibited to ID No. \_\_\_\_\_

  
ATTY. GERVACIO B. ORTIZ JR.  
Notary Public City of Makati  
Until December 31, 2026  
IBP No. 05729-Lifetime Member  
MCLE Compliance No. VIII-0040999  
valid until April 14, 2028  
Appointment No. M-007 (2025-2026)  
PTR No. 10765528 Jan. 3, 2026/ Makati  
Makati City Roll No. 40091  
101 Urban Ave. Campos Rueda Bldg.  
Nrgy. Plo Del Pilar, Makati City



# COVER SHEET

for  
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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|---|---|---|---|---|---|--|--|--|--|
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COMPANY NAME

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

|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |  |   |   |   |   |   |   |   |   |   |   |
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| r | g | y | . |   | H | i | g | h | w | a | y |   | H | i | l | l | s | , |  | M | a | n | d | a | l | u | y | o | n |
| g |   | C | i | t | y |   |   |   |   |   |   |   |   |   |   |   |   |   |  |   |   |   |   |   |   |   |   |   |   |
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Department requiring the report

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Secondary License Type, If Applicable

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|  |  |  |  |
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## COMPANY INFORMATION

Company's Email Address

|  |
|--|
|  |
|  |

Company's Telephone Number

|                  |
|------------------|
| <b>7918-8188</b> |
|                  |

Mobile Number

|  |
|--|
|  |
|  |

No. of Stockholders

|              |
|--------------|
| <b>5,550</b> |
|--------------|

Annual Meeting (Month / Day)

|                                                            |
|------------------------------------------------------------|
| <b>Every 2nd to the last Friday<br/>of April Each Year</b> |
|------------------------------------------------------------|

Fiscal Year (Month / Day)

|              |
|--------------|
| <b>12/31</b> |
|--------------|

## CONTACT PERSON INFORMATION

The designated contact person MUST be an Officer of the Corporation

Name of Contact Person

|                           |
|---------------------------|
| <b>Ms. Venus A. Mejia</b> |
|---------------------------|

Email Address

|                                       |
|---------------------------------------|
| <b>venus.mejia@filinvestgroup.com</b> |
|---------------------------------------|

Telephone Number/s

|                  |
|------------------|
| <b>7918-8188</b> |
|------------------|

Mobile Number

|  |
|--|
|  |
|--|

## CONTACT PERSON'S ADDRESS

**79 EDSA, Brgy. Highway Hills, Mandaluyong City**

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

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





## INDEPENDENT AUDITOR'S REPORT

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

### Opinion

We have audited the accompanying consolidated financial statements of Filinvest Land, Inc. (the Parent Company) and its subsidiaries (collectively referred to as “the Group”), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of income, consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Group as of December 31, 2025 and 2024, and its financial performance and its cash flows for the three years in the period ended December 31, 2025 in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

### Basis for Opinion

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

### Key Audit Matters

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



We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters.

Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

### ***Real Estate Revenue Recognition***

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

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

In determining the transaction price, the Group considers whether the selling price of the real estate property includes significant financing component.

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

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

### ***Audit Response***

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

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



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

### **Other Information**

Management is responsible for Other Information. Other Information comprises the information included in SEC Form 20 IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025, but does not include the consolidated financial statements and our auditor's report thereon. SEC Form 20 IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditor's report.

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

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

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

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

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

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



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

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

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

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

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



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

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

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

SYCIP GORRES VELAYO & CO.

*Wanessa G. Salvador*

Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

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

SEC Partner Accreditation No. 118546-SEC (Group A)

Valid to cover audit of 2019 to 2023 financial statements,

with extension up to audit of 2025 financial statements

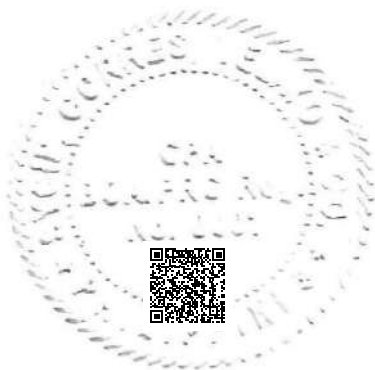
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-137-2026, January 23, 2026, valid until January 22, 2029

PTR No. 10765124, January 2, 2026, Makati City

February 16, 2026



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

|                                                   | <b>December 31</b>  |              |
|---------------------------------------------------|---------------------|--------------|
|                                                   | <b>2025</b>         | <b>2024</b>  |
| <b>ASSETS</b>                                     |                     |              |
| <b>Current Assets</b>                             |                     |              |
| Cash and cash equivalents (Notes 7 and 21)        | <b>₱5,181,402</b>   | ₱3,984,191   |
| Contracts receivables (Notes 6 and 8)             | <b>1,703,345</b>    | 2,178,282    |
| Contract assets (Notes 6)                         | <b>6,422,237</b>    | 5,785,979    |
| Other receivables (Notes 9)                       | <b>3,636,489</b>    | 3,563,392    |
| Real estate inventories (Note 10)                 | <b>74,020,754</b>   | 69,967,114   |
| Other current assets (Notes 6 and 11)             | <b>6,678,791</b>    | 8,263,851    |
| Total Current Assets                              | <b>97,643,018</b>   | 93,742,809   |
| <b>Noncurrent Assets</b>                          |                     |              |
| Contract assets - net of current portion (Note 6) | <b>3,815,001</b>    | 2,653,114    |
| Investments in associates (Note 12)               | <b>5,460,881</b>    | 5,321,210    |
| Investment properties (Note 13)                   | <b>88,160,761</b>   | 85,041,035   |
| Property and equipment (Note 14)                  | <b>5,815,691</b>    | 5,812,719    |
| Goodwill (Note 4)                                 | <b>4,567,242</b>    | 4,567,242    |
| Build-transfer-operate (BTO) rights (Note 16)     | <b>6,238,388</b>    | 6,329,162    |
| Deferred income tax assets (Note 29)              | <b>147,476</b>      | 96,032       |
| Other noncurrent assets (Note 17)                 | <b>2,331,834</b>    | 3,316,328    |
| Total Noncurrent Assets                           | <b>116,537,274</b>  | 113,136,842  |
| <b>TOTAL ASSETS</b>                               | <b>₱214,180,292</b> | ₱206,879,651 |

**LIABILITIES AND EQUITY****Current Liabilities**

|                                                  |                    |             |
|--------------------------------------------------|--------------------|-------------|
| Accounts payable and accrued expenses (Notes 18) | <b>₱11,436,317</b> | ₱10,947,076 |
| Contract liabilities (Note 6)                    | <b>477,242</b>     | 586,257     |
| Current portion of lease liabilities (Note 15)   | <b>188,770</b>     | 155,891     |
| Due to related parties (Notes 21)                | <b>95,903</b>      | 244,141     |
| Income tax payable                               | <b>65,614</b>      | 71,732      |
| Current portion of loans payable (Notes 19)      | <b>15,605,867</b>  | 6,876,639   |
| Current portion of bonds payable (Notes 20)      | <b>1,752,262</b>   | 14,815,944  |
| Total Current Liabilities                        | <b>29,621,975</b>  | 33,697,680  |

*(Forward)*

|                                                                                          | December 31         |                     |
|------------------------------------------------------------------------------------------|---------------------|---------------------|
|                                                                                          | 2025                | 2024                |
| <b>Noncurrent Liabilities</b>                                                            |                     |                     |
| Loans payable - net of current portion (Notes 19)                                        | ₱34,231,614         | ₱35,156,005         |
| Bonds payable - net of current portion (Notes 20)                                        | 31,165,067          | 21,040,644          |
| Contract liabilities - net of current portion (Note 6)                                   | 64,665              | 24,156              |
| Lease liabilities - net of current portion (Note 15)                                     | 6,927,280           | 6,774,447           |
| Net retirement liabilities (Note 26)                                                     | 497,867             | 398,736             |
| Deferred income tax liabilities - net (Note 29)                                          | 4,039,227           | 4,817,004           |
| Accounts payable and accrued expenses - net of current portion (Note 18)                 | 11,284,012          | 11,635,467          |
| Total Noncurrent Liabilities                                                             | 88,209,732          | 79,846,459          |
| Total Liabilities                                                                        | 117,831,707         | 113,544,139         |
| <b>Equity</b>                                                                            |                     |                     |
| Common stock (Note 27)                                                                   | 24,470,708          | 24,470,708          |
| Preferred stock (Note 27)                                                                | 80,000              | 80,000              |
| Additional paid-in capital                                                               | 5,612,321           | 5,612,321           |
| Treasury stock (Note 27)                                                                 | (2,078,084)         | (2,078,084)         |
| Retained earnings (Note 27)                                                              |                     |                     |
| Unappropriated                                                                           | 29,380,776          | 37,302,240          |
| Appropriated                                                                             | 34,035,003          | 24,813,773          |
| Revaluation reserve on financial assets at fair value through other comprehensive income | (2,619)             | (2,619)             |
| Remeasurement gains on retirement plan - net of tax (Note 26)                            | 17,788              | 47,521              |
| Share in other components of equity of associates (Note 12)                              | 372,449             | 372,449             |
| Equity attributable to equity holders of the parent                                      | 91,888,342          | 90,618,309          |
| Noncontrolling interests (Notes 1 and 32)                                                | 4,460,243           | 2,717,203           |
| Total Equity                                                                             | 96,348,585          | 93,335,512          |
| <b>TOTAL LIABILITIES AND EQUITY</b>                                                      | <b>₱214,180,292</b> | <b>₱206,879,651</b> |

See accompanying Notes to Consolidated Financial Statements.



**FILINVEST LAND, INC. AND SUBSIDIARIES****CONSOLIDATED STATEMENTS OF INCOME****(Amounts in Thousands of Pesos, Except Earnings Per Share Figures)**

|                                                         | <b>Years Ended December 31</b> |             |             |
|---------------------------------------------------------|--------------------------------|-------------|-------------|
|                                                         | <b>2025</b>                    | <b>2024</b> | <b>2023</b> |
| <b>REVENUE</b>                                          |                                |             |             |
| Real estate sales (Note 6)                              | <b>₱16,274,015</b>             | ₱15,392,761 | ₱14,486,506 |
| Rental and related services<br>(Notes 6, 13, 15 and 16) | <b>8,247,020</b>               | 7,848,093   | 7,200,950   |
| Total revenue                                           | <b>24,521,035</b>              | 23,240,854  | 21,687,456  |
| <b>EQUITY IN NET EARNINGS OF ASSOCIATES</b> (Note 12)   | <b>529,071</b>                 | 359,036     | 242,007     |
| <b>OTHER INCOME</b>                                     |                                |             |             |
| Interest income (Note 24)                               | <b>357,008</b>                 | 319,088     | 283,978     |
| Others - net (Notes 21 and 25)                          | <b>491,237</b>                 | 526,920     | 340,893     |
|                                                         | <b>25,898,351</b>              | 24,445,898  | 22,554,334  |
| <b>COSTS</b>                                            |                                |             |             |
| Real estate sales (Note 10)                             | <b>7,687,896</b>               | 7,354,898   | 8,101,485   |
| Rental and related services (Notes 13 and 16)           | <b>3,906,065</b>               | 3,583,370   | 3,122,342   |
| <b>OPERATING EXPENSES</b>                               |                                |             |             |
| General and administrative expenses (Note 22)           | <b>3,197,549</b>               | 2,623,353   | 2,584,596   |
| Selling and marketing expenses (Note 23)                | <b>1,342,327</b>               | 1,558,159   | 1,370,135   |
| <b>INTEREST AND OTHER FINANCE CHARGES</b> (Note 24)     | <b>4,077,585</b>               | 3,685,747   | 2,434,393   |
|                                                         | <b>20,211,422</b>              | 18,805,527  | 17,612,951  |
| <b>INCOME BEFORE INCOME TAX</b>                         | <b>5,686,929</b>               | 5,640,371   | 4,941,383   |
| <b>PROVISION FOR INCOME TAX</b> (Note 29)               | <b>879,096</b>                 | 1,004,635   | 645,339     |
| <b>NET INCOME</b>                                       | <b>₱4,807,833</b>              | ₱4,635,736  | ₱4,296,044  |
| <b>Net income attributable to:</b>                      |                                |             |             |
| Equity holders of the parent                            | <b>₱4,171,699</b>              | ₱4,168,468  | ₱3,765,388  |
| Noncontrolling interest                                 | <b>636,134</b>                 | 467,268     | 530,656     |
|                                                         | <b>₱4,807,833</b>              | ₱4,635,736  | ₱4,296,044  |
| <b>Basic/Diluted Earnings Per Share</b><br>(Note 28)    | <b>₱0.19</b>                   | ₱0.17       | ₱0.16       |

See accompanying Notes to Consolidated Financial Statements.





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

|                                                                        | <b>Years Ended December 31</b> |                   |                   |
|------------------------------------------------------------------------|--------------------------------|-------------------|-------------------|
|                                                                        | <b>2025</b>                    | <b>2024</b>       | <b>2023</b>       |
| <b>NET INCOME</b>                                                      | <b>₱4,807,833</b>              | <b>₱4,635,736</b> | <b>₱4,296,044</b> |
| <b>OTHER COMPREHENSIVE LOSS</b>                                        |                                |                   |                   |
| Other comprehensive loss not to be reclassified<br>to profit or loss   |                                |                   |                   |
| Remeasurement loss on retirement<br>plan, net of tax (Notes 26 and 29) | <b>(29,733)</b>                | <b>—</b>          | <b>(20,664)</b>   |
| <b>TOTAL COMPREHENSIVE INCOME</b>                                      | <b>₱4,778,100</b>              | <b>₱4,635,736</b> | <b>₱4,275,380</b> |
| <b>Total comprehensive income attributable to:</b>                     |                                |                   |                   |
| Equity holders of the parent                                           | <b>₱4,141,966</b>              | <b>₱4,168,468</b> | <b>₱3,744,724</b> |
| Noncontrolling interest                                                | <b>636,134</b>                 | <b>467,268</b>    | <b>530,656</b>    |
|                                                                        | <b>₱4,778,100</b>              | <b>₱4,635,736</b> | <b>₱4,275,380</b> |

*See accompanying Notes to Consolidated Financial Statements.*

# FILINVEST LAND, INC. AND SUBSIDIARIES

## CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(Amounts in Thousands of Pesos)

|                                                            | Attributable to Equity Holders of the Parent |                              |                            |                             |                                               |                                             |                                                               |                                                              |                                                                  |             | Noncontrolling Interest<br>(Note 32) | Total Equity |
|------------------------------------------------------------|----------------------------------------------|------------------------------|----------------------------|-----------------------------|-----------------------------------------------|---------------------------------------------|---------------------------------------------------------------|--------------------------------------------------------------|------------------------------------------------------------------|-------------|--------------------------------------|--------------|
|                                                            | Common Stock<br>(Note 27)                    | Preferred Stock<br>(Note 27) | Additional Paid-in Capital | Treasury Stock<br>(Note 27) | Unappropriated Retained Earnings<br>(Note 27) | Appropriated Retained Earnings<br>(Note 27) | Revaluation Reserve on Financial Assets at FVOCI<br>(Note 17) | Remeasurement Gains (Losses) on Retirement Plan<br>(Note 26) | Share in Other Components of Equity of an Associate<br>(Note 12) | Total       |                                      |              |
| For the Year Ended December 31, 2025                       |                                              |                              |                            |                             |                                               |                                             |                                                               |                                                              |                                                                  |             |                                      |              |
| Balances as at January 1, 2025                             | ₱24,470,708                                  | ₱80,000                      | ₱5,612,321                 | (₱2,078,084)                | ₱37,302,240                                   | ₱24,813,773                                 | (₱2,619)                                                      | ₱47,521                                                      | ₱372,449                                                         | ₱90,618,309 | ₱2,717,203                           | ₱93,335,512  |
| Net income                                                 | —                                            | —                            | —                          | —                           | 4,171,699                                     | —                                           | —                                                             | —                                                            | —                                                                | 4,171,699   | 636,134                              | 4,807,833    |
| Other comprehensive income                                 | —                                            | —                            | —                          | —                           | —                                             | —                                           | —                                                             | (29,733)                                                     | —                                                                | (29,733)    | —                                    | (29,733)     |
| Total comprehensive income                                 | —                                            | —                            | —                          | —                           | 4,171,699                                     | —                                           | —                                                             | (29,733)                                                     | —                                                                | 4,141,966   | 636,134                              | 4,778,100    |
| Reversal of appropriation (Note 27)                        | —                                            | —                            | —                          | —                           | 1,866,000                                     | (1,866,000)                                 | —                                                             | —                                                            | —                                                                | —           | —                                    | —            |
| Appropriation during the year (Note 27)                    | —                                            | —                            | —                          | —                           | (11,087,230)                                  | 11,087,230                                  | —                                                             | —                                                            | —                                                                | —           | —                                    | —            |
| Dividends declared (Note 27)                               | —                                            | —                            | —                          | —                           | (1,123,188)                                   | —                                           | —                                                             | —                                                            | —                                                                | (1,123,188) | —                                    | (1,123,188)  |
| Change in noncontrolling interest<br>(Note 32)             | —                                            | —                            | —                          | —                           | (1,748,745)                                   | —                                           | —                                                             | —                                                            | —                                                                | (1,748,745) | 1,748,745                            | —            |
| Dividend distribution to noncontrolling interest (Note 32) | —                                            | —                            | —                          | —                           | —                                             | —                                           | —                                                             | —                                                            | —                                                                | —           | (641,839)                            | (641,839)    |
| Balances as at December 31, 2025                           | ₱24,470,708                                  | ₱80,000                      | ₱5,612,321                 | (₱2,078,084)                | ₱29,380,776                                   | ₱34,035,003                                 | (₱2,619)                                                      | ₱17,788                                                      | ₱372,449                                                         | ₱91,888,342 | ₱4,460,243                           | ₱96,348,585  |

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



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

See accompanying Notes to Consolidated Financial Statements.



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

|                                                                     | Years Ended December 31 |             |             |
|---------------------------------------------------------------------|-------------------------|-------------|-------------|
|                                                                     | 2025                    | 2024        | 2023        |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                         |                         |             |             |
| Income before income tax                                            | <b>₱5,686,929</b>       | ₱5,640,371  | ₱4,941,383  |
| Adjustments for:                                                    |                         |             |             |
| Interest expense and amortization of transaction costs (Note 24)    | <b>4,039,265</b>        | 3,598,138   | 2,294,148   |
| Depreciation and amortization (Notes 13, 14 and 16)                 | <b>2,081,421</b>        | 2,143,097   | 1,593,382   |
| Equity in net earnings of associates (Note 12)                      | <b>(529,071)</b>        | (359,036)   | (242,007)   |
| Interest income (Note 24)                                           | <b>(357,008)</b>        | (319,088)   | (283,978)   |
| Pension expense, net of contribution (Note 26)                      | <b>117,124</b>          | (38,457)    | (21,667)    |
| Operating income before changes in operating assets and liabilities | <b>11,038,660</b>       | 10,665,025  | 8,281,261   |
| Changes in operating assets and liabilities                         |                         |             |             |
| Decrease (increase) in:                                             |                         |             |             |
| Contracts receivable                                                | <b>474,937</b>          | (340,453)   | 291,052     |
| Contract assets                                                     | <b>(1,798,145)</b>      | 1,344,676   | 699,187     |
| Other receivables                                                   | <b>(73,097)</b>         | (98,336)    | (563,050)   |
| Real estate inventories                                             | <b>(3,278,020)</b>      | (3,645,527) | (178,552)   |
| Other assets                                                        | <b>2,569,554</b>        | (2,113,165) | (620,751)   |
| Increase (decrease) in:                                             |                         |             |             |
| Accounts payable and accrued expense                                | <b>528,973</b>          | 1,237,644   | 1,929,113   |
| Contract liabilities                                                | <b>(68,506)</b>         | (331,938)   | (353,011)   |
| Due to related parties                                              | <b>(148,238)</b>        | —           | —           |
| Cash generated from operations                                      | <b>9,246,118</b>        | 6,717,926   | 9,485,249   |
| Income taxes paid, including creditable withholding taxes           | <b>(1,721,487)</b>      | (22,487)    | (576,492)   |
| Interest received                                                   | <b>357,008</b>          | 319,088     | 283,978     |
| Net cash provided by operating activities                           | <b>7,881,639</b>        | 7,014,527   | 9,192,735   |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                         |                         |             |             |
| Additions to:                                                       |                         |             |             |
| Investment properties and property and equipment (Notes 13 and 14)  | <b>(3,635,839)</b>      | (5,026,191) | (3,645,532) |
| Build-transfer-operate (BTO) rights (Note 16)                       | <b>(4,714)</b>          | (19,947)    | (865,248)   |
| Proceeds from disposal of property and equipment (Note 14)          | <b>2,237</b>            | —           | —           |
| Dividends received from associate (Note 12)                         | <b>389,400</b>          | 257,726     | 167,125     |
| Net cash used in investing activities                               | <b>(3,248,916)</b>      | (4,788,412) | (4,343,655) |

(Forward)



|                                                                 | Years Ended December 31 |              |              |
|-----------------------------------------------------------------|-------------------------|--------------|--------------|
|                                                                 | 2025                    | 2024         | 2023         |
| <b>CASH FLOWS FROM FINANCING</b>                                |                         |              |              |
| <b>ACTIVITIES</b> (Note 36)                                     |                         |              |              |
| Proceeds from availment of:                                     |                         |              |              |
| Loans payable (Note 19)                                         | <b>₱16,701,000</b>      | ₱38,095,000  | ₱24,660,100  |
| Bonds payable (Note 20)                                         | <b>12,000,000</b>       | —            | 11,430,800   |
| Increase in noncontrolling interest<br>(Notes 1 and 32)         | —                       | —            | 30,000       |
| Payments of:                                                    |                         |              |              |
| Loans payable (Note 19)                                         | <b>(8,871,622)</b>      | (32,910,712) | (20,528,712) |
| Bonds payable (Note 20)                                         | <b>(14,925,000)</b>     | (1,699,995)  | (15,035,400) |
| Cash dividend (Note 27)                                         | <b>(1,123,188)</b>      | (1,216,488)  | (875,871)    |
| Interest and transaction costs                                  | <b>(6,111,517)</b>      | (5,300,228)  | (4,118,521)  |
| Lease liabilities (Note 15)                                     | <b>(463,346)</b>        | (408,907)    | (372,444)    |
| Dividends paid to noncontrolling interest<br>(Note 32)          | <b>(641,839)</b>        | (634,671)    | (660,381)    |
| Increase (decrease) in amounts due to related<br>parties        | —                       | 102,069      | (265,778)    |
| Net cash used in financing activities                           | <b>(3,435,512)</b>      | (3,973,932)  | (5,736,207)  |
| <b>NET INCREASE (DECREASE) IN CASH<br/>AND CASH EQUIVALENTS</b> | <b>1,197,211</b>        | (1,747,817)  | (887,127)    |
| <b>CASH AND CASH EQUIVALENTS<br/>AT BEGINNING OF YEAR</b>       | <b>3,984,191</b>        | 5,732,008    | 6,619,135    |
| <b>CASH AND CASH EQUIVALENTS<br/>AT END OF YEAR</b> (Note 7)    | <b>₱5,181,402</b>       | ₱3,984,191   | ₱5,732,008   |

See accompanying Notes to Consolidated Financial Statements.



# **FILINVEST LAND, INC. AND SUBSIDIARIES**

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## **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

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### **1. Corporate Information**

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

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

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

#### Approval of the Consolidated Financial Statements

The consolidated financial statements as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 were approved and authorized for issue by the Board of Directors (BOD) on February 16, 2026.

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### **2. Material Accounting Policy Information**

#### Basis of Preparation

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

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

#### Statement of Compliance

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

#### Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as of December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025. The nature of business and the corresponding percentages of ownership over these entities are as follows. The voting rights held by the Group in these subsidiaries are in proportion to its ownership interest where:



| Subsidiaries                                               | Nature of Business                             | 2025        | 2024 | 2023 |
|------------------------------------------------------------|------------------------------------------------|-------------|------|------|
| Filinvest AII Philippines, Inc. (FAPI)                     | Real estate developer                          | <b>100%</b> | 100% | 100% |
| FCGC Corporation (FCGCC)                                   | Real estate developer                          | <b>100%</b> | 100% | 100% |
| Filinvest BCDA Clark, Inc. (FBCI) <sup>1</sup>             | Real estate developer                          | <b>55%</b>  | 55%  | 55%  |
| Gintong Parisukat Realty and Development Inc. (GPRDI)      | Real estate developer                          | <b>100%</b> | 100% | 100% |
| Homepro Realty Marketing, Inc. (Homepro)                   | Real estate developer                          | <b>100%</b> | 100% | 100% |
| SJR Developers, Inc. (SDI)                                 | Real estate developer                          | <b>100%</b> | 100% | 100% |
| Niyog Property Holdings, Inc. (NPHI) <sup>2</sup>          | Real estate developer                          | <b>100%</b> | 100% | 100% |
| Cajel Realty Corporation (CRC) <sup>2</sup>                | Real estate developer                          | <b>100%</b> | 100% | 100% |
| Crystal Ball Realty & Management, Inc. (CBRM) <sup>3</sup> | Real estate developer                          | <b>100%</b> | 100% | 100% |
| Cloverleaf Holdings Corporation (CHC) <sup>3</sup>         | Real estate developer                          | <b>100%</b> | 100% | 100% |
| Filinvest REIT Corp. (FILRT) <sup>4</sup>                  | Leasing                                        | <b>63%</b>  | 51%  | 63%  |
| Filinvest Asia Corporation (FAC)                           | Leasing                                        | <b>60%</b>  | 60%  | 60%  |
| Filinvest Cyberparks, Inc. (FCI)                           | Leasing                                        | <b>100%</b> | 100% | 100% |
| Filinvest Clark Mimosa, Inc. (FCMI)                        | Leasing                                        | <b>100%</b> | 100% | 100% |
| Festival Supermall, Inc. (FSI)                             | Property management                            | <b>100%</b> | 100% | 100% |
| Filinvest Lifemalls Corporation (FLC)                      | Property management                            | <b>100%</b> | 100% | 100% |
| Filinvest Lifemalls Mimosa, Inc. (FLMI)                    | Property management                            | <b>100%</b> | 100% | 100% |
| Filinvest Lifemalls Tagaytay, Inc. (FLTI)                  | Property management                            | <b>100%</b> | 100% | 100% |
| ProOffice Works Services, Inc. (ProOffice)                 | Property management                            | <b>100%</b> | 100% | 100% |
| Property Specialist Resources, Inc. (Prosper)              | Property management                            | <b>100%</b> | 100% | 100% |
| Co-Living Pro Managers Corp. (CPMC)                        | Property management                            | <b>100%</b> | 100% | 100% |
| FSM Cinemas, Inc. (FSM Cinemas) <sup>5</sup>               | Theater operator                               | <b>60%</b>  | 60%  | 60%  |
| Philippine DCS Development Corporation (PDDC)              | District cooling systems, builder and operator | <b>60%</b>  | 60%  | 60%  |
| Timberland Sports and Nature Club, Inc. (TSNC)             | Recreational Sports and Natures Club           | <b>98%</b>  | 98%  | 98%  |
| Nature Specialists, Inc. (NSI)                             | Recreational Sports and Natures Club           | <b>75%</b>  | 75%  | 75%  |
| Leisurepro, Inc. (Leisurepro)                              | Marketing                                      | <b>100%</b> | 100% | 100% |
| Proleads Philippines, Inc. (PPI)                           | Marketing                                      | <b>100%</b> | 100% | 100% |
| Property Leaders International Limited (PLIL)              | Marketing                                      | <b>100%</b> | 100% | 100% |
| Property Maximizer Professional Corp. (Promax)             | Marketing                                      | <b>100%</b> | 100% | 100% |
| Realpros Philippines, Inc. (RPI)                           | Marketing                                      | <b>100%</b> | 100% | 100% |
| FREIT Fund Managers, Inc. (FFMI)                           | Fund Manager                                   | <b>100%</b> | 100% | 100% |
| OurSpace Solutions, Inc. (OSI) <sup>6</sup>                | Coworking spaces                               | <b>70%</b>  | 70%  | 70%  |



*Notes:*

1. *FBCI is owned indirectly through FCGCC.*
2. *NPHI and CRC were acquired in 2023 through a share purchase agreement with Rizal Commercial Banking Corporation.*
3. *CBRM and CHC were acquired in previous years and were accounted for as asset acquisitions and not as business combination. Acquisition cost amounted to ₱80.06 million and ₱39.59 million for CBRM and CHC, respectively.*
4. *FLI's ownership interest in FILRT was reduced to 51% in 2024 mainly as a result of FLI's voluntary tender offer (see Note 27). In 2025, FLI's ownership interest in FILRT increased to 63%, through a tax-free property-for-share swap (see Note 32).*
5. *FSM Cinemas is owned indirectly through FSI.*
6. *On August 2, 2023, a Subscription Agreement was executed to issue the 30 million common shared of OSI to KCI resulting to FLI's 70% ownership in OSI.*

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

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

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

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

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

Noncontrolling Interest

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

New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the Group's consolidated financial statements are consistent with those of the previous financial years, except for the adoption of new standards effective in 2025. The Group has not early adopted any standard, interpretation or amendment that





has been issued but is not yet effective. Unless otherwise indicated, adoption of these new standards did not have an impact on the consolidated financial statements of the Group.

*Amendments to PAS 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.
- The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Standards Issues but not yet Effective

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

*Effective beginning on or after January 1, 2026*

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosures about Uncertainties in the Financial Statements*
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- 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.

The amendments are not expected to have a material impact on the Group's accounting for financial instruments.

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



*Effective beginning on or after January 1, 2027*

- PFRS 18, *Presentation and Disclosure in Financial Statements*

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

The Group is currently assessing the impact of adopting PFRS 18 in its financial reporting, including its data collection process.

*Deferred effectivity*

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

Material Accounting Policies

Fair Value Measurement

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

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

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

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

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

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



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

#### Financial Instruments (Date of recognition)

Financial assets and liabilities are recognized in the consolidated statement of financial position when, and only when, the Group becomes a party to the contractual provisions of the instrument.

#### Recognition and Measurement of Financial Instruments

##### *Financial Assets*

##### *Initial recognition and measurement*

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

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

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

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

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

As of December 31, 2025 and 2024, the Group's financial assets comprise of financial assets at amortized cost and financial assets at FVOCI.

##### *Subsequent measurement*

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

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

##### *Financial assets at amortized cost*

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



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

*Financial assets at FVOCI (equity instruments)*

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

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

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

*Financial liabilities*

*Initial recognition and measurement*

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

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

*Subsequent measurement*

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

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

As of December 31, 2025 and 2024, loans and borrowings consist primarily of accounts payable and accrued expenses, lease liabilities, loans payable, bonds payable and due to related parties (see Notes 15, 18, 19, 20 and 21).

Impairment of Financial Assets and Contract Assets

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



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

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

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

#### Derecognition of Financial Assets and Financial Liabilities

##### *Financial assets*

A financial asset is derecognized when:

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

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

##### *Financial liabilities*

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

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

#### Real Estate Inventories

##### *Lots, Condominium and Residential Units for Sale*

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

Cost includes:

- Land acquisition costs and expenses directly related to acquisition



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

In case of sales cancellation, the Group can repossess the properties and hold it for sale in the ordinary course of business at the prevailing market price. The repossessed properties are accounted for as inventories and recognized at its fair value less cost to repossess at the time of cancellation. NRV is the estimated selling price in the ordinary course of the business, based on market prices at

the reporting date, less estimated costs of completion and the estimated costs of sale. The cost of inventory recognized in consolidated statement of income on disposal is determined with reference to the specific costs incurred on the property sold, including an allocation of any non-specific costs based on the relative size of the property sold.

#### *Land and Land Development*

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

#### Investments in Associates

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

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

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

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

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



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

#### Investment Properties

Investment properties consist of commercial mall, land and other properties that are held for long term rental yields and capital appreciation and land held with undetermined future use. Investment properties also include right-of-use assets involving real properties that are subleased to other entities. Investment properties, except for land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost less accumulated impairment losses,

if any. Initial cost of investment properties consists of cash paid or the fair value of other consideration given to acquire an asset at the time of its acquisition or construction and directly attributable costs of bringing the investment properties to its intended location and working condition, including borrowing costs.

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

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

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

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

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

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

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

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



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

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

#### Property and Equipment

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

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

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

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

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

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

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

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

#### Intangible Assets

Intangible assets include goodwill and BTO rights (including the related right-of-use asset). Intangible assets acquired separately are measured on initial recognition at costs. The cost of intangible assets acquired in a business combination or contracted arrangements is their fair value at the date of acquisition. Following initial recognition, intangible assets, excluding goodwill, are carried at cost less any accumulated amortization and any accumulated impairment losses. The useful





lives of intangible assets are assessed to be either finite or indefinite. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

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

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

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

#### Other Assets

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

#### Value-added Tax (VAT)

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

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

#### Impairment of Nonfinancial Assets

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



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

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

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

Impairment is determined for goodwill by assessing the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit (or group of cash-generating unit) is less than their carrying amount of cash-generating unit (or group of cash-generating unit) to which goodwill has been allocated, an impairment loss is recognized immediately in the consolidated statement of income. Impairment losses relating to goodwill cannot be reversed for subsequent increases in its recoverable amount in future periods.

#### Revenue Recognition

##### *Revenue from Contracts with Customers*

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

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

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

##### *Real estate sales*

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

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



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

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

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

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

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

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

*Other dues*

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

*Theater and parking sales and snack bar sales (included as part of ‘Rental and related services’)*

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

*Cost of real estate sales*

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



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

#### Contract Balances

##### *Contracts receivables*

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

##### *Contract assets*

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

##### *Contract liabilities*

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

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

##### *Costs to obtain contract (Commission expenses)*

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

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

##### *Contract fulfillment assets*

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

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

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



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

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

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

At each reporting date, the Group determines whether there is an indication that the contract fulfillment asset or capitalized cost to obtain a contract may be impaired. If such indication exists, the Group makes an estimate by comparing the carrying amount of the assets to the remaining amount

of consideration that the Group expects to receive less the costs that relate to providing services under the relevant contract. In determining the estimated amount of consideration, the Group uses the same principles as it does to determine the contract transaction price, except that any constraints used to reduce the transaction price will be removed for the impairment test.

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

Other Revenue and Income Recognition

*Rental income*

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

*Income from forfeited reservations and collections*

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

*Interest income*

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

*Other income*

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



#### Cost and Expense Recognition

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

#### Retirement Costs

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

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

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

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

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

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

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

#### Termination benefits

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

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

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



#### Employee leave entitlement

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

#### Borrowing Costs

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

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

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

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

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

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

All other borrowing costs are expensed as incurred.

#### Foreign Currency-Denominated Transactions

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



## Equity

### *Common and Preferred stock*

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

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

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

### *Treasury stock*

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

### *Retained earnings*

Retained earnings represent accumulated net earnings of the Group, and any other adjustments to it as required by other standards, less dividends declared. The individual accumulated earnings of the subsidiaries and accumulated equity earnings from an associate included in the consolidated retained earnings are available for dividend declaration when these are declared as dividends by the subsidiaries and associate as approved by their respective BOD.

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

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

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

### Earnings Per Share (EPS)

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

Diluted EPS is computed by dividing net income by the weighted average number of common shares outstanding during the period, after giving retroactive effect for any stock dividends, stock splits or reverse stock splits during the period, and adjusted for the effect of dilutive options and dilutive convertible preferred shares. If the required dividends to be declared on convertible preferred shares





divided by the number of equivalent common shares, assuming such shares are converted would decrease the basic EPS, and then such convertible preferred shares would be deemed dilutive.

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

### Income Tax

#### *Current income tax*

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

#### *Deferred income tax*

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

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

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

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

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

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

### Leases

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



*Group as Lessor*

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

*Group as Lessee*

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

i) Right-of-use-assets

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

The Group classifies its right-of-use assets within the same line item as that within which the corresponding underlying assets would be presented if they were owned. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Useful life of right-of-use on land ranges from 20 to 50 years.

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

ii) Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

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



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

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

Segment Reporting

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

Provisions

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

Contingencies

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

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**3. Significant Accounting Judgments and Estimates**

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

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

Judgments

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



### *Real Estate Revenue Recognition*

a. Existence of a contract

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

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

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

c. Revenue recognition method and measure of progress

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

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

### *Evaluation of impairment on nonfinancial assets*

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

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

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



As of December 31, 2025 and 2024, management assessed that there are no impairment indicators on its non-financial assets that would lead to recognition of impairment losses.

*Adoption of a 'no tax' regime for FILRT*

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

As of December 31, 2025 and 2024, FILRT met the provisions of the REIT law and complies with the 90% dividend distribution requirement. FILRT has determined, based on its current tax regime and expected dividend distribution in the succeeding periods, that it can effectively operate on a "no-tax" regime. FILRT did not recognize any deferred taxes in 2025 and 2024.

*Contingencies*

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

Management's Use of Estimates

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

*Revenue recognition and measure of progress for real estate sales*

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

For the years ended December 31, 2025, 2024 and 2023, real estate sales amounted to ₱16.27 billion, ₱15.39 billion, and ₱14.49 billion, respectively (see Note 6).

*Determining transaction price of sale of real estate*

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

For the years ended December 31, 2025, 2024 and 2023, financing component recognized on sale of real estate amounted to ₱170.25 million, ₱199.51 million, and ₱174.03 million, respectively (see Note 24).



*Evaluation of impairment of contracts receivables and contract assets*

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

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

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

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

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

|                                | 2025              | 2024       |
|--------------------------------|-------------------|------------|
|                                | (In Thousands)    |            |
| Contracts receivables (Note 8) | <b>₱1,703,345</b> | ₱2,178,282 |
| Contract assets (Note 6)       | <b>10,237,238</b> | 8,439,093  |

*Estimating NRV of real estate inventories*

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

As of December 31, 2025 and 2024, the carrying amount of real estate inventories amounted to ₱74.02 billion and ₱69.97 billion, respectively (see Note 10). No impairment losses were recognized since the costs are lower than NRV for the years ended December 31, 2025, 2024 and 2023.

*Evaluation of impairment on goodwill*

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



The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model, as well as revenue growth rates, gross margins and terminal growth rates used. The pre-tax discount rates used were 9.4% to 11.0% in 2025 and 2024. The growth rates used beyond the forecast period for different cash-generating units were 3.6% to 5.0% and 3.5% to 4.0% in 2025 and 2024, respectively.

As of December 31, 2025 and 2024, the Group has determined that its goodwill is not impaired. The carrying value of goodwill amounted to ₱4.57 billion as of December 31, 2025 and 2024 (see Note 4).

*Recognition of deferred income tax assets*

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

The Group's recognized deferred tax assets amounted to ₱1.86 billion and ₱2.07 billion as of December 31, 2025 and 2024, respectively (see Note 29).

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#### 4. Goodwill

Goodwill arising from business combinations in the Group's consolidated statements of financial position as of December 31, 2025 and 2024 consists of (amounts in thousands):

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

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

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

As of December 31, 2025 and 2024, the recoverable value of the cash generating units to which the goodwill pertains is in excess of the carrying value of the cash generating units, thus, no impairment has been recognized.



## 5. Segment Reporting

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

### *Real Estate*

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

### *Leasing*

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

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

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

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

For the years ended December 31, 2025, 2024, and 2023, there were no revenue transactions with a single external customer which accounted for 10% or more of the consolidated revenue from external customers.

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

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

|                                             | 2025                      |                       |                    |                                    |                    |
|---------------------------------------------|---------------------------|-----------------------|--------------------|------------------------------------|--------------------|
|                                             | Real Estate<br>Operations | Leasing<br>Operations | Combined           | Adjustments<br>and<br>Eliminations | Consolidated       |
| <b>Revenue</b>                              |                           |                       |                    |                                    |                    |
| <b>External</b>                             | <b>₱16,274,015</b>        | <b>₱8,247,020</b>     | <b>₱24,521,035</b> | <b>₱-</b>                          | <b>₱24,521,035</b> |
| <b>Inter-segment</b>                        | <b>239,044</b>            | <b>655,841</b>        | <b>894,885</b>     | <b>(894,885)</b>                   | <b>-</b>           |
|                                             | <b>16,513,059</b>         | <b>8,902,861</b>      | <b>25,415,920</b>  | <b>(894,885)</b>                   | <b>24,521,035</b>  |
| <b>Equity in net earnings of associates</b> | <b>529,071</b>            | <b>-</b>              | <b>529,071</b>     | <b>-</b>                           | <b>529,071</b>     |
| <b>Other income</b>                         | <b>2,566,077</b>          | <b>1,284,000</b>      | <b>3,850,077</b>   | <b>(3,001,832)</b>                 | <b>848,245</b>     |
|                                             | <b>₱19,608,207</b>        | <b>₱10,186,861</b>    | <b>₱29,795,068</b> | <b>(₱3,896,717)</b>                | <b>₱25,898,351</b> |
| <b>Net income</b>                           | <b>₱4,981,201</b>         | <b>₱1,165,892</b>     | <b>₱6,147,093</b>  | <b>(₱1,339,260)</b>                | <b>₱4,807,833</b>  |





| 2025                                     |                           |                       |                     |                                    |                     |
|------------------------------------------|---------------------------|-----------------------|---------------------|------------------------------------|---------------------|
|                                          | Real Estate<br>Operations | Leasing<br>Operations | Combined            | Adjustments<br>and<br>Eliminations | Consolidated        |
| <b>EBITDA</b>                            | <b>₱7,958,211</b>         | <b>₱5,931,340</b>     | <b>₱13,889,551</b>  | <b>(₱2,043,616)</b>                | <b>₱11,845,935</b>  |
| Segment assets                           | ₱99,256,394               | ₱118,517,574          | ₱217,773,968        | (₱3,593,676)                       | ₱214,180,292        |
| Less net deferred tax assets             | –                         | 147,476               | 147,476             | –                                  | 147,476             |
| <b>Net segment assets</b>                | <b>₱99,256,394</b>        | <b>₱118,370,098</b>   | <b>₱217,626,492</b> | <b>(₱3,593,676)</b>                | <b>₱214,032,816</b> |
| Segment liabilities                      | ₱53,730,801               | ₱64,504,576           | ₱118,235,377        | (₱403,670)                         | ₱117,831,707        |
| Less net deferred tax liabilities        | 4,038,324                 | (122,357)             | 3,915,967           | 123,260                            | 4,039,227           |
| <b>Net segment liabilities</b>           | <b>₱49,692,477</b>        | <b>₱64,626,933</b>    | <b>₱114,319,410</b> | <b>(₱526,930)</b>                  | <b>₱113,792,480</b> |
| <b>Cash flows provided by (used in):</b> |                           |                       |                     |                                    |                     |
| Operating activities                     | ₱1,850,216                | ₱4,740,716            | ₱6,590,932          | ₱1,290,707                         | ₱7,881,639          |
| Investing activities                     | (510,785)                 | (2,738,131)           | (3,248,916)         | –                                  | (3,248,916)         |
| Financing activities                     | (52,362)                  | (2,501,322)           | (2,553,684)         | (881,828)                          | (3,435,512)         |
| 2024                                     |                           |                       |                     |                                    |                     |
|                                          | Real Estate<br>Operations | Leasing<br>Operations | Combined            | Adjustments<br>and<br>Eliminations | Consolidated        |
| Revenue                                  |                           |                       |                     |                                    |                     |
| External                                 | ₱15,392,761               | ₱7,848,093            | ₱23,240,854         | ₱–                                 | ₱23,240,854         |
| Inter-segment                            | 229,632                   | –                     | 229,632             | (229,632)                          | –                   |
|                                          | 15,622,393                | 7,848,093             | 23,470,486          | (229,632)                          | 23,240,854          |
| Equity in net earnings of associates     | 359,036                   | –                     | 359,036             | –                                  | 359,036             |
| Other income                             | 3,263,910                 | 1,103,623             | 4,367,533           | (3,521,525)                        | 846,008             |
|                                          | ₱19,245,339               | ₱8,951,716            | ₱28,197,055         | (₱3,751,157)                       | ₱24,445,898         |
| Net income                               | ₱5,437,301                | ₱1,330,564            | ₱6,767,865          | (₱2,132,129)                       | ₱4,635,736          |
| <b>EBITDA</b>                            | <b>₱8,426,129</b>         | <b>₱4,847,174</b>     | <b>₱13,273,303</b>  | <b>(₱1,804,088)</b>                | <b>₱11,469,215</b>  |
| Segment assets                           | ₱100,016,795              | ₱117,217,097          | ₱217,233,892        | (₱10,354,241)                      | ₱206,879,651        |
| Less net deferred tax assets             | –                         | 96,032                | 96,032              | –                                  | 96,032              |
| <b>Net segment assets</b>                | <b>₱100,016,795</b>       | <b>₱117,121,065</b>   | <b>₱217,137,860</b> | <b>(₱10,354,241)</b>               | <b>₱206,783,619</b> |
| Segment liabilities                      | ₱56,063,647               | ₱57,818,979           | ₱113,882,626        | (₱338,487)                         | ₱113,544,139        |
| Less net deferred tax liabilities        | 5,030,726                 | 9,874                 | 5,040,600           | (223,596)                          | 4,817,004           |
| <b>Net segment liabilities</b>           | <b>₱51,032,921</b>        | <b>₱57,809,105</b>    | <b>₱108,842,026</b> | <b>(₱114,891)</b>                  | <b>₱108,727,135</b> |
| <b>Cash flows provided by (used in):</b> |                           |                       |                     |                                    |                     |
| Operating activities                     | ₱3,062,854                | ₱3,843,080            | ₱6,905,934          | ₱108,593                           | ₱7,014,527          |
| Investing activities                     | (908,013)                 | (3,880,399)           | (4,788,412)         | –                                  | (4,788,412)         |
| Financing activities                     | (3,490,116)               | (1,018,279)           | (4,508,395)         | 534,463                            | (3,973,932)         |
| 2023                                     |                           |                       |                     |                                    |                     |
|                                          | Real Estate<br>Operations | Leasing<br>Operations | Combined            | Adjustments<br>and<br>Eliminations | Consolidated        |
| Revenue                                  |                           |                       |                     |                                    |                     |
| External                                 | ₱14,486,506               | ₱7,200,950            | ₱21,687,456         | ₱–                                 | ₱21,687,456         |
| Inter-segment                            | 40,039                    | –                     | 40,039              | (40,039)                           | –                   |
|                                          | 14,526,545                | 7,200,950             | 21,727,495          | (40,039)                           | 21,687,456          |
| Equity in net earnings of associates     | 242,007                   | –                     | 242,007             | –                                  | 242,007             |
| Other income                             | 2,001,632                 | 964,869               | 2,966,501           | (2,341,630)                        | 624,871             |
|                                          | ₱16,770,184               | ₱8,165,819            | ₱24,936,003         | (₱2,381,669)                       | ₱22,554,334         |
| Net income                               | ₱3,603,769                | ₱1,742,686            | ₱5,346,455          | (₱1,050,411)                       | ₱4,296,044          |
| <b>EBITDA</b>                            | <b>₱5,401,034</b>         | <b>₱4,797,774</b>     | <b>₱10,198,808</b>  | <b>(₱1,229,650)</b>                | <b>₱8,969,158</b>   |
| Segment assets                           | ₱110,882,971              | ₱104,057,871          | ₱214,940,842        | (₱10,464,765)                      | ₱204,476,077        |
| Less net deferred tax assets             | –                         | 48,483                | 48,483              | –                                  | 48,483              |
| <b>Net segment assets</b>                | <b>₱110,882,971</b>       | <b>₱104,009,388</b>   | <b>₱214,892,359</b> | <b>(₱10,464,765)</b>               | <b>₱204,427,594</b> |
| Segment liabilities                      | ₱63,140,179               | ₱47,438,064           | ₱110,578,243        | (₱374,035)                         | ₱110,204,208        |
| Less net deferred tax liabilities        | 5,802,647                 | 56,068                | 5,858,715           | (209,562)                          | 5,649,153           |
| <b>Net segment liabilities</b>           | <b>₱57,337,532</b>        | <b>₱47,381,996</b>    | <b>₱104,719,528</b> | <b>(₱164,473)</b>                  | <b>₱104,555,055</b> |
| <b>Cash flows provided by (used in):</b> |                           |                       |                     |                                    |                     |
| Operating activities                     | ₱5,368,606                | ₱3,979,320            | ₱9,347,926          | (₱155,191)                         | ₱9,192,735          |
| Investing activities                     | (616,726)                 | (3,726,929)           | (4,343,655)         | –                                  | (4,343,655)         |
| Financing activities                     | (4,306,123)               | (2,071,602)           | (6,377,725)         | 641,518                            | (5,736,207)         |



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

|                                                     | 2025               | 2024        | 2023        |
|-----------------------------------------------------|--------------------|-------------|-------------|
|                                                     | (In Thousands)     |             |             |
| EBITDA                                              | <b>₱11,845,935</b> | ₱11,469,215 | ₱8,969,158  |
| Depreciation and amortization (Notes 13, 14 and 16) | <b>(2,081,421)</b> | (2,143,097) | (1,593,382) |
| Operating profit                                    | <b>9,764,514</b>   | 9,326,118   | 7,375,776   |
| Interest and other finance charges (Note 24)        | <b>(4,077,585)</b> | (3,685,747) | (2,434,393) |
| Income before income tax                            | <b>₱5,686,929</b>  | ₱5,640,371  | ₱4,941,383  |

## 6. Revenue from Contracts with Customers

### Disaggregated Revenue Information

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

|                                                                                                            | 2025               | 2024        | 2023        |
|------------------------------------------------------------------------------------------------------------|--------------------|-------------|-------------|
|                                                                                                            | (In Thousands)     |             |             |
| <b>Real estate sales by market segment</b>                                                                 |                    |             |             |
| Medium income                                                                                              | <b>₱11,345,218</b> | ₱11,336,019 | ₱9,835,600  |
| Low affordable and affordable                                                                              | <b>2,763,988</b>   | 1,863,213   | 3,367,527   |
| High-end and others                                                                                        | <b>1,498,974</b>   | 1,524,605   | 855,169     |
| Socialized                                                                                                 | <b>665,835</b>     | 668,924     | 428,210     |
|                                                                                                            | <b>16,274,015</b>  | 15,392,761  | 14,486,506  |
| <b>Cinema operations by type of goods or services</b><br>(included as part of rental and related services) |                    |             |             |
| Theater and parking sales                                                                                  | <b>257,696</b>     | 248,461     | 214,452     |
| Snack bar sales                                                                                            | <b>15,394</b>      | 15,188      | 14,066      |
|                                                                                                            | <b>273,090</b>     | 263,649     | 228,518     |
| <b>Tenant dues</b>                                                                                         |                    |             |             |
| Office leasing (Note 21)                                                                                   | <b>1,120,310</b>   | 1,176,240   | 1,149,383   |
| Mall and other leasing operations                                                                          | <b>501,740</b>     | 415,697     | 379,197     |
|                                                                                                            | <b>1,622,050</b>   | 1,591,937   | 1,528,580   |
| <b>Total revenue from contracts with customers</b>                                                         | <b>18,169,155</b>  | 17,248,347  | 16,243,604  |
| <b>Rental revenues</b>                                                                                     |                    |             |             |
| Office leasing (Note 21)                                                                                   | <b>3,724,306</b>   | 3,633,481   | 3,511,044   |
| Mall operations                                                                                            | <b>2,005,958</b>   | 1,856,071   | 1,605,302   |
| Others                                                                                                     | <b>621,616</b>     | 502,955     | 327,506     |
|                                                                                                            | <b>6,351,880</b>   | 5,992,507   | 5,443,852   |
| <b>Total Revenue</b>                                                                                       | <b>₱24,521,035</b> | ₱23,240,854 | ₱21,687,456 |

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

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



As of December 31, 2025, contract balances are as follows:

|                      | Current           | Noncurrent       | Total             |
|----------------------|-------------------|------------------|-------------------|
|                      | (In Thousands)    |                  |                   |
| Contracts receivable | <b>₱1,703,345</b> | <b>₱—</b>        | <b>₱1,703,345</b> |
| Contract assets      | <b>6,422,237</b>  | <b>3,815,001</b> | <b>10,237,238</b> |
| Contract liabilities | <b>477,242</b>    | <b>64,665</b>    | <b>541,907</b>    |

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

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

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

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

In 2025, 2024 and 2023, the Parent Company entered into an Agreement for Purchase of Receivables with local banks. The banks agreed to buy the contract assets on a without recourse basis, and the Parent Company agreed to sell, assign, transfer and convey to the bank all its rights, titles, and interest in and to the contract assets. In 2025, 2024 and 2023 total proceeds from these transactions equivalent to the carrying value of the contract assets sold amounted to ₱15.14 billion, ₱11.69 billion and ₱5.43 billion, respectively.

Contract liabilities consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the good and services transferred based on percentage of completion. The movement in contract liability arise mainly from revenue recognition of completed performance obligations. The amount of revenue recognized in 2025 and 2024 from amounts included in contract liabilities at the beginning of the year amounted to ₱406.80 million and ₱450.27 million, respectively.

#### Performance Obligation

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

##### *Real estate sales*

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

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



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

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

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31, 2025 and 2024 amounted to ₱1.06 billion and ₱3.05 billion, respectively. Performance obligation for the transaction price amounting to ₱1.00 billion and ₱2.78 billion will be satisfied within one year as of December 31, 2025 and 2024, respectively.

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

#### *Rental agreements*

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

#### Cost to Obtain Contracts and Contract Fulfillment Assets

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

|                                  | 2025             | 2024      |
|----------------------------------|------------------|-----------|
|                                  | (In Thousands)   |           |
| Balance at beginning of year     | <b>₱290,616</b>  | ₱367,514  |
| Additions                        | <b>417,632</b>   | 734,410   |
| Amortization (Note 23)           | <b>(604,891)</b> | (811,308) |
| Balance at end of year (Note 11) | <b>₱103,357</b>  | ₱290,616  |

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



For the years ended December 31, 2025 and 2024, additions of contract fulfillment assets amounted to ₱286.91 million and ₱732.07 million, respectively (see Note 10). Amortization of contract fulfillment costs amounted to ₱1.18 billion and ₱1.00 billion for the years ended December 31, 2025 and 2024, respectively. Contract fulfillment assets is included as part of real estate inventories.

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

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

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

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## 7. Cash and Cash Equivalents

This account consists of:

|                  | 2025              | 2024       |
|------------------|-------------------|------------|
|                  | (In Thousands)    |            |
| Cash             | <b>₱3,694,158</b> | ₱3,011,408 |
| Cash equivalents | <b>1,487,244</b>  | 972,783    |
|                  | <b>₱5,181,402</b> | ₱3,984,191 |

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

Interest income earned on the Group's cash and cash equivalents amounted to ₱150.58 million, ₱98.70 million and ₱80.39 million in 2025, 2024 and 2023, respectively (see Note 24).

There is no restriction on the Group's cash and cash equivalents as at December 31, 2025 and 2024.



## 8. Contracts Receivables

This account consists of:

|                                                        | 2025              | 2024       |
|--------------------------------------------------------|-------------------|------------|
|                                                        | (In Thousands)    |            |
| Contracts receivable                                   | <b>₱1,456,250</b> | ₱1,932,985 |
| Receivables from government and financial institutions | <b>247,095</b>    | 245,297    |
|                                                        | <b>₱1,703,345</b> | ₱2,178,282 |

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

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

Interest income recognized on contracts receivable amounted to ₱170.25 million, ₱199.50 million and ₱174.03 million in 2025, 2024 and 2023, respectively (see Note 24). Interest rates per annum on contracts receivable range from 11.5% to 19.0% for these years.

The Group has a mortgage insurance contract with Philippine Guarantee Corporation (PhilGuarantee), a government insurance company for a retail guaranty line. As of December 31, 2025 and 2024, the contracts (comprise of both contracts receivables and contract assets) covered by the guaranty line amounted to ₱116.05 million and ₱193.57 million, respectively. As of December 31, 2025 and 2024, the remaining unutilized guaranty line amounted to ₱1.37 billion.

As of December 31, 2025 and 2024, no impairment losses were recognized from contracts receivables.

## 9. Other Receivables

This account consists of:

|                                                  | 2025              | 2024       |
|--------------------------------------------------|-------------------|------------|
|                                                  | (In Thousands)    |            |
| Receivables from tenants                         | <b>₱2,087,855</b> | ₱2,302,942 |
| Advances to officers and employees               | <b>539,230</b>    | 418,147    |
| Due from related parties (Note 21)               | <b>527,557</b>    | 434,428    |
| Receivables from homeowners' associations (HOAs) | <b>267,340</b>    | 174,596    |
| Others                                           | <b>283,487</b>    | 292,037    |
|                                                  | <b>3,705,469</b>  | 3,622,150  |
| Less: Allowance for ECLs                         | <b>68,980</b>     | 58,758     |
|                                                  | <b>₱3,636,489</b> | ₱3,563,392 |



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

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

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

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

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

|                              | 2025                        |                          |                |
|------------------------------|-----------------------------|--------------------------|----------------|
|                              | Receivables<br>from tenants | Receivables<br>from HOAs | Total          |
|                              | (In Thousands)              |                          |                |
| Balance at beginning of year | <b>₱42,894</b>              | <b>₱15,864</b>           | <b>₱58,758</b> |
| Provision for ECLs           | <b>10,222</b>               | —                        | <b>10,222</b>  |
| Balance at end of year       | <b>₱53,116</b>              | <b>₱15,864</b>           | <b>₱68,980</b> |

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

## 10. Real Estate Inventories

This account consists of:

|                                                  | 2025               | 2024               |
|--------------------------------------------------|--------------------|--------------------|
|                                                  | (In Thousands)     |                    |
| Real estate inventories – at cost                |                    |                    |
| Lots, condominium and residential units for sale | <b>₱47,237,083</b> | <b>₱43,991,685</b> |
| Land and land development                        | <b>26,783,671</b>  | <b>25,975,429</b>  |
|                                                  | <b>₱74,020,754</b> | <b>₱69,967,114</b> |



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

|                                                        | 2025               | 2024        |
|--------------------------------------------------------|--------------------|-------------|
|                                                        | (In Thousands)     |             |
| Balance at beginning of year                           | <b>₱43,991,685</b> | ₱40,109,879 |
| Construction/development costs incurred                | <b>10,474,632</b>  | 10,461,681  |
| Transferred from land and land development<br>(Note 6) | <b>458,662</b>     | 732,071     |
| Transfer from investment properties (Note 13)          | —                  | 42,952      |
| Cost of real estate sales                              | <b>(7,687,896)</b> | (7,354,898) |
| Balance at end of year                                 | <b>₱47,237,083</b> | ₱43,991,685 |

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

|                                                                    | 2025               | 2024        |
|--------------------------------------------------------------------|--------------------|-------------|
|                                                                    | (In Thousands)     |             |
| Balance at beginning of year                                       | <b>₱25,975,429</b> | ₱26,992,347 |
| Site development and incidental costs                              | <b>1,220,597</b>   | 1,300,203   |
| Land acquisitions                                                  | <b>80,021</b>      | 4,745       |
| Transferred to lots, condominium and residential<br>units for sale | <b>(458,662)</b>   | (732,071)   |
| Transfer to investment properties (Note 13)                        | <b>(33,714)</b>    | (1,589,795) |
| Balance at end of year                                             | <b>₱26,783,671</b> | ₱25,975,429 |

Borrowing costs capitalized as part of land and land development, where activities necessary to prepare it for its intended use is still ongoing, amounted to ₱809.33 million, ₱766.21 million and ₱620.18 million for the years ended December 31, 2025, 2024 and 2023, respectively. Capitalization rate is 6.10%, 5.47% and 5.15% in 2025, 2024 and 2023, respectively.

## 11. Other Current Assets

This account consists of:

|                                       | 2025              | 2024       |
|---------------------------------------|-------------------|------------|
|                                       | (In Thousands)    |            |
| Input taxes – net                     | <b>₱3,585,711</b> | ₱3,921,006 |
| Creditable withholding taxes          | <b>1,112,135</b>  | 2,136,391  |
| Prepaid expenses                      | <b>896,756</b>    | 829,717    |
| Advances to contractors and suppliers | <b>497,904</b>    | 454,622    |
| Construction materials and supplies   | <b>429,629</b>    | 451,749    |
| Cost to obtain contract (Note 6)      | <b>103,357</b>    | 290,616    |
| Short-term deposits                   | <b>53,299</b>     | 179,750    |
|                                       | <b>₱6,678,791</b> | ₱8,263,851 |

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

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





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

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

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

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

“Short-term deposits” pertain to cash placements with maturity of more than three (3) months up to twelve (12) months and earn interest at prevailing market rates.

## 12. Investments in Associates

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

|                                                | Percentage of Ownership |      | Amounts           |                   |
|------------------------------------------------|-------------------------|------|-------------------|-------------------|
|                                                | 2025                    | 2024 | 2025              | 2024              |
|                                                |                         |      | (In Thousands)    |                   |
| FAI                                            | 20.0                    | 20.0 | ₱5,086,565        | ₱4,969,569        |
| Dreambuilders Pro, Inc. (DPI)                  | 45.0                    | 45.0 | 103,386           | 94,294            |
| Filinvest Mimosa, Inc. (FMI)                   | 47.5                    | 47.5 | 91,717            | 84,228            |
| SharePro, Inc. (SPI)                           | 45.0                    | 45.0 | 80,695            | 59,418            |
| Filinvest Business Services Corporation (FBSC) | 30.0                    | 30.0 | 20,990            | 53,958            |
| Pro-Excel Property Managers, Inc. (Pro-Excel)  | 47.5                    | 47.5 | 67,528            | 49,743            |
| ProActive Professionals Corp. (ProActive)      | 40.0                    | 40.0 | 10,000            | 10,000            |
|                                                |                         |      | <b>₱5,460,881</b> | <b>₱5,321,210</b> |

The rollforward analysis of investments in associates for the years ended December 31 follows:

|                                                       | 2025              | 2024              |
|-------------------------------------------------------|-------------------|-------------------|
|                                                       | (In Thousands)    |                   |
| At equity:                                            |                   |                   |
| Acquisition cost                                      |                   |                   |
| Balance at beginning and end of year                  | <b>₱1,028,841</b> | ₱1,028,841        |
| Accumulated equity in net earnings:                   |                   |                   |
| Balance at beginning of year                          | <b>1,909,468</b>  | 1,808,158         |
| Equity in net earnings for the year                   | <b>529,071</b>    | 359,036           |
| Dividend declaration                                  | <b>(389,400)</b>  | (257,726)         |
| Balance at end of year                                | <b>2,049,139</b>  | 1,909,468         |
| Share in revaluation increment on land at deemed cost | <b>2,010,452</b>  | 2,010,452         |
| Share in other components of equity                   | <b>372,449</b>    | 372,449           |
|                                                       | <b>₱5,460,881</b> | <b>₱5,321,210</b> |



### FAI

FAI is involved primarily in the development of commercial buildings, residential condominiums and land. FAI is also involved in leasing of commercial real estate and marketing.

Dividends declared by FAI and the corresponding share of the Group for the year ended December 31, 2025 amounted to ₱1,947.00 and ₱389.40 million, respectively, and for the year ended December 31, 2024 amounted to ₱1,253.00 million and ₱250.60 million, respectively.

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

|                                             | 2025               | 2024        |
|---------------------------------------------|--------------------|-------------|
|                                             | (In Thousands)     |             |
| Current assets                              | <b>₱20,425,398</b> | ₱16,185,757 |
| Noncurrent assets                           | <b>22,644,695</b>  | 24,288,735  |
| Total assets                                | <b>43,070,093</b>  | 40,474,492  |
| Current liabilities                         | <b>3,959,545</b>   | 2,685,551   |
| Noncurrent liabilities                      | <b>10,532,443</b>  | 9,636,696   |
| Total liabilities                           | <b>14,491,988</b>  | 12,322,247  |
| Equity                                      | <b>₱28,578,105</b> | ₱28,152,245 |
| Proportion of the Group's ownership         | 20%                | 20%         |
| Equity in net assets of associate           | <b>₱5,715,621</b>  | ₱5,630,449  |
| Less upstream sales                         | <b>629,056</b>     | 660,880     |
| Carrying amount of the investment           | <b>₱5,086,565</b>  | ₱4,969,569  |
| Revenue and other income                    | <b>₱6,537,661</b>  | ₱4,724,114  |
| Cost and other expenses                     | <b>(2,806,183)</b> | (2,253,671) |
| Depreciation                                | <b>(216,377)</b>   | (217,601)   |
| Interest expense                            | <b>(175,755)</b>   | (96,278)    |
| Interest income                             | <b>25,093</b>      | 24,019      |
| Income before tax                           | <b>3,364,439</b>   | 2,180,583   |
| Income tax expense                          | <b>832,461</b>     | 622,308     |
| Net income for the year                     | <b>₱2,531,978</b>  | ₱1,558,275  |
| Group's equity in net earnings of associate | <b>₱506,396</b>    | ₱311,655    |

Share in net earnings of FAI amounted to ₱213.67 million for the year ended December 31, 2023.

### DPI

DPI is engaged in carrying on general construction business and/or project construction management. Share in net earnings (losses) of DPI amounted to ₱9.09 million, ₱1.17 million and (₱2.38 million) for the years ended December 31, 2025, 2024 and 2023, respectively.

### FMI

In 2016, FMI was incorporated to enter into an agreement with Clark Development Corporation (CDC) for the lease of the Mimosa Leisure Estate. Share in net earnings of FMI amounted to ₱7.49 million, ₱2.60 million and ₱1.28 million for the years ended December 31, 2025, 2024 and 2023, respectively.

### SPI

SPI was incorporated and operating in the Philippines and handles the technical and project management services for the Group. Share in net earnings of SPI amounted to ₱21.28 million, ₱28.38 million and ₱16.99 million for the years ended December 31, 2025, 2024 and 2023, respectively.



### FBSC

FBSC (formerly Corporate Technologies, Inc.) is primarily involved in providing business process outsourcing services for the Group. Share in net earnings (losses) of FBSC amounted to (P32.97 million), P1.77 million and P1.97 million for the years ended December 31, 2025, 2024 and 2023, respectively.

### Pro-Excel

Pro-Excel is engaged in the business of administration, maintenance and management of real estate-controlled development projects and subdivision projects. Share in net earnings of Pro-Excel amounted to P17.79 million, P13.46 million and P10.49 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Dividends declared by Pro-Excel and the corresponding share of the Group in 2024, amounted to P15.00 million and P7.13 million, respectively (nil in 2025).

### ProActive

ProActive was incorporated to provide business process outsourcing services for the Group. As of December 31, 2025, ProActive has not started commercial operations.

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

|                                                | 2025            | 2024     |
|------------------------------------------------|-----------------|----------|
|                                                | (In Thousands)  |          |
| Carrying amount of investments                 | <b>P374,316</b> | P351,641 |
| Share in net income/total comprehensive income | <b>22,675</b>   | 47,381   |

The Group does not restrict profit distribution of its associates. The associates have no contingent liabilities outside of the ordinary course of business or capital commitments as at December 31, 2025 and 2024.

## 13. Investment Properties

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

|                                       | 2025               |                            |                         |                          |                               |                    |
|---------------------------------------|--------------------|----------------------------|-------------------------|--------------------------|-------------------------------|--------------------|
|                                       | Land               | Buildings and Improvements | Machinery and Equipment | Construction in Progress | Right-of-use assets (Note 15) | Total              |
|                                       | (In Thousands)     |                            |                         |                          |                               |                    |
| <b>Cost</b>                           |                    |                            |                         |                          |                               |                    |
| Balances at beginning of year         | <b>P18,453,010</b> | <b>P33,378,449</b>         | <b>P449,953</b>         | <b>P39,295,853</b>       | <b>P5,376,136</b>             | <b>P96,953,401</b> |
| Additions                             | 391,807            | 396,233                    | 19,094                  | 3,778,174                | —                             | 4,585,308          |
| Transfers/reclassifications (Note 10) | 108,160            | (74,446)                   | —                       | —                        | —                             | 33,714             |
| Balances at end of year               | <b>18,952,977</b>  | <b>33,700,236</b>          | <b>469,047</b>          | <b>43,074,027</b>        | <b>5,376,136</b>              | <b>101,572,423</b> |
| <b>Accumulated Depreciation</b>       |                    |                            |                         |                          |                               |                    |
| Balances at beginning of year         | —                  | 10,590,758                 | 414,823                 | —                        | 906,785                       | 11,912,366         |
| Depreciation (Note 22)                | —                  | 1,370,682                  | 7,320                   | —                        | 121,294                       | 1,499,296          |
| Balances at end of year               | —                  | <b>11,961,440</b>          | <b>422,143</b>          | —                        | <b>1,028,079</b>              | <b>13,411,662</b>  |
| <b>Net Book Value</b>                 | <b>P18,952,977</b> | <b>P21,738,796</b>         | <b>P46,904</b>          | <b>P43,074,027</b>       | <b>P4,348,057</b>             | <b>P88,160,761</b> |



|                               | 2024           |                            |                         |                          |                               |             |
|-------------------------------|----------------|----------------------------|-------------------------|--------------------------|-------------------------------|-------------|
|                               | Land           | Buildings and Improvements | Machinery and Equipment | Construction in Progress | Right-of-use assets (Note 15) | Total       |
|                               | (In Thousands) |                            |                         |                          |                               |             |
| Cost                          |                |                            |                         |                          |                               |             |
| Balances at beginning of year | ₱16,575,680    | ₱32,104,793                | ₱407,782                | ₱35,545,897              | ₱5,376,136                    | ₱90,010,288 |
| Additions                     | 287,535        | 1,356,651                  | 42,171                  | 3,749,956                | —                             | 5,436,313   |
| Transfers (Note 10)           | 1,589,795      | (82,995)                   | —                       | —                        | —                             | 1,506,800   |
| Balances at end of year       | 18,453,010     | 33,378,449                 | 449,953                 | 39,295,853               | 5,376,136                     | 96,953,401  |
| Accumulated Depreciation      |                |                            |                         |                          |                               |             |
| Balances at beginning of year | —              | 9,199,751                  | 396,712                 | —                        | 754,489                       | 10,350,952  |
| Depreciation (Note 22)        | —              | 1,431,050                  | 18,111                  | —                        | 152,296                       | 1,601,457   |
| Transfers (Note 10)           | —              | (40,043)                   | —                       | —                        | —                             | (40,043)    |
| Balances at end of year       | —              | 10,590,758                 | 414,823                 | —                        | 906,785                       | 11,912,366  |
| Net Book Value                | ₱18,453,010    | ₱22,787,691                | ₱35,130                 | ₱39,295,853              | ₱4,469,351                    | ₱85,041,035 |

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

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

Borrowing costs capitalized as part of investment properties amounted to ₱1.73 billion, ₱1.43 billion and ₱944.83 million in 2025, 2024 and 2023, respectively. Capitalization rates used are 5.63% to 6.37%, 4.27% to 6.64% and 4.33% to 6.68% in 2025, 2024 and 2023, respectively.

The aggregate fair value of the Group's investment properties amounted to ₱223.94 billion and ₱215.34 billion as of December 31, 2025 and 2024, respectively, based on third party appraisals performed for certain assets by an SEC accredited independent appraiser and management appraisal updated using current and year-end values and assumptions. The fair value of land and buildings was determined using the income approach based on discounted cash flow analysis.

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

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

Revenue from rental and related services from investment properties amounted to ₱7.65 billion, ₱7.38 billion, and ₱6.74 billion in 2025, 2024, and 2023, respectively (see Note 6). Cost of rental and related services arising from investment properties is as follows:

|                    | 2025           | 2024       | 2023       |
|--------------------|----------------|------------|------------|
|                    | (In Thousands) |            |            |
| Leasing operations | ₱2,323,593     | ₱2,141,178 | ₱1,822,415 |
| Depreciation       | 1,333,690      | 1,282,590  | 1,201,601  |
| Others             | 15,332         | 18,914     | 27,721     |
|                    | ₱3,672,615     | ₱3,442,682 | ₱3,051,737 |



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

The Group classifies the depreciation of fit out cost and machinery and equipment related to the common area and air-conditioning as part of the maintenance and air-conditioning dues that are collected from the tenants.

## 14. Property and Equipment

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

|                                                  | 2025               |                         |                          |                        |                        |                          | Total             |
|--------------------------------------------------|--------------------|-------------------------|--------------------------|------------------------|------------------------|--------------------------|-------------------|
|                                                  | Land and Buildings | Machinery and Equipment | Transportation Equipment | Furniture and Fixtures | Leasehold Improvements | Construction in Progress |                   |
|                                                  | (In Thousands)     |                         |                          |                        |                        |                          |                   |
| <b>Cost</b>                                      |                    |                         |                          |                        |                        |                          |                   |
| Balances at beginning of year                    | ₱3,754,788         | ₱3,734,838              | ₱239,310                 | ₱238,202               | ₱336,158               | ₱288,869                 | ₱8,592,165        |
| Additions                                        | 64,491             | 122,973                 | —                        | 31,698                 | 39,379                 | 90,663                   | 349,204           |
| Disposals                                        | —                  | —                       | (22,682)                 | —                      | —                      | —                        | (22,682)          |
| Balances at end of year                          | 3,819,279          | 3,857,811               | 216,628                  | 269,900                | 375,537                | 379,532                  | 8,918,687         |
| <b>Accumulated Depreciation and Amortization</b> |                    |                         |                          |                        |                        |                          |                   |
| Balances at beginning of year                    | 895,327            | 1,333,834               | 186,615                  | 191,922                | 171,748                | —                        | 2,779,446         |
| Depreciation and amortization (Note 22)          | 107,452            | 180,658                 | 2,665                    | 33,389                 | 19,831                 | —                        | 343,995           |
| Disposals                                        | —                  | —                       | (20,445)                 | —                      | —                      | —                        | (20,445)          |
| Balances at end of year                          | 1,002,779          | 1,514,492               | 168,835                  | 225,311                | 191,579                | —                        | 3,102,996         |
| <b>Net Book Value</b>                            | <b>₱2,816,500</b>  | <b>₱2,343,319</b>       | <b>₱47,793</b>           | <b>₱44,589</b>         | <b>₱183,958</b>        | <b>₱379,532</b>          | <b>₱5,815,691</b> |

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

There are no property and equipment items pledged to secure the obligations of the Group as of December 31, 2025 and 2024.

## 15. Leases

### *Group as lessee*

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



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

|                                          | 2025                                  |                         |                   |
|------------------------------------------|---------------------------------------|-------------------------|-------------------|
|                                          | Investment<br>Properties<br>(Note 13) | BTO Rights<br>(Note 16) | Total             |
|                                          | (In Thousands)                        |                         |                   |
| <b>Cost</b>                              |                                       |                         |                   |
| Balances at beginning and<br>end of year | <b>₱5,376,136</b>                     | <b>₱112,424</b>         | <b>₱5,488,560</b> |
| <b>Accumulated Depreciation</b>          |                                       |                         |                   |
| Balances at beginning of year            | <b>906,785</b>                        | <b>23,502</b>           | <b>930,287</b>    |
| Depreciation (Note 22)                   | <b>121,294</b>                        | <b>4,680</b>            | <b>125,974</b>    |
| Balances at end of year                  | <b>1,028,079</b>                      | <b>28,182</b>           | <b>1,056,261</b>  |
| <b>Net Book Value</b>                    | <b>₱4,348,057</b>                     | <b>₱84,242</b>          | <b>₱4,432,299</b> |

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

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

|                                                                    | 2025              | 2024       |
|--------------------------------------------------------------------|-------------------|------------|
|                                                                    | (In Thousands)    |            |
| Balances at beginning of year                                      | <b>₱6,930,338</b> | ₱6,719,861 |
| Interest expense (gross of related capitalized<br>borrowing costs) | <b>649,058</b>    | 619,384    |
| Payments                                                           | <b>(463,346)</b>  | (408,907)  |
| Balances at end of year                                            | <b>7,116,050</b>  | 6,930,338  |
| Lease liabilities - current portion                                | <b>188,770</b>    | 155,891    |
| Lease liabilities - net of current portion                         | <b>₱6,927,280</b> | ₱6,774,447 |

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



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

|                                                                                       | 2025            | 2024     | 2023     |
|---------------------------------------------------------------------------------------|-----------------|----------|----------|
|                                                                                       | (In Thousands)  |          |          |
| Interest and other finance charges on lease liabilities (Note 24)                     | <b>₱558,882</b> | ₱520,667 | ₱487,174 |
| General and administrative expenses (Note 22)                                         |                 |          |          |
| Depreciation expense of right-of-use assets                                           | <b>125,974</b>  | 154,761  | 153,748  |
| Variable lease payments and expenses relating to leases of low-value assets (Note 22) | <b>21,877</b>   | 16,019   | 10,464   |
|                                                                                       | <b>₱706,733</b> | ₱691,447 | ₱651,386 |

Interest expense capitalized as part of investment properties and BTO Rights amounted to ₱90.18 million, ₱98.72 million and ₱96.64 million in 2025, 2024 and 2023, respectively.

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

|                              | 2025              | 2024       |
|------------------------------|-------------------|------------|
|                              | (In Thousands)    |            |
| 1 year                       | <b>₱496,959</b>   | ₱478,337   |
| more than 1 years to 2 years | <b>520,292</b>    | 496,959    |
| more than 2 years to 3 years | <b>545,138</b>    | 520,292    |
| more than 3 years to 4 years | <b>566,502</b>    | 540,138    |
| more than 5 years            | <b>26,644,369</b> | 27,210,871 |

*Group as lessor*

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

|                                             | 2025               | 2024        |
|---------------------------------------------|--------------------|-------------|
|                                             | (In Thousands)     |             |
| Within one year                             | <b>₱4,890,507</b>  | ₱4,220,818  |
| After one year but not more than five years | <b>11,333,082</b>  | 10,500,606  |
| After five years                            | <b>3,323,255</b>   | 5,011,914   |
|                                             | <b>₱19,546,844</b> | ₱19,733,338 |

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

Rental income recognized based on a percentage of the gross revenue of mall tenants included in “Rental and related services” account in the consolidated statement of income amounted to ₱590.62, ₱502.29 million and ₱457.26 million in 2025, 2024 and 2023, respectively.



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

# 16. Build-Transfer-Operate (BTO) Rights

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

The rollforward analysis of BTO rights is as follows:

|                              | December 31, 2025   |           |            |
|------------------------------|---------------------|-----------|------------|
|                              | Right-of-Use Assets |           |            |
|                              | BTO Rights          | (Note 15) | Total      |
|                              | (In Thousands)      |           |            |
| Cost                         |                     |           |            |
| Balance at beginning of year | ₱6,947,796          | ₱112,424  | ₱7,060,220 |
| Additions                    | 147,356             | —         | 147,356    |
| Balance at end of year       | 7,095,152           | 112,424   | 7,207,576  |
| Accumulated Amortization     |                     |           |            |
| Balance at beginning of year | 707,556             | 23,502    | 731,058    |
| Depreciation (Note 22)       | 233,450             | 4,680     | 238,130    |
| Balance at end of year       | 941,006             | 28,182    | 969,188    |
| Net Book Value               | ₱6,154,146          | ₱84,242   | ₱6,238,388 |

|                              | December 31, 2024      |           |            |
|------------------------------|------------------------|-----------|------------|
|                              | Right-of-Use<br>Assets |           |            |
|                              | BTO Rights             | (Note 15) | Total      |
|                              | (In Thousands)         |           |            |
| Cost                         |                        |           |            |
| Balance at beginning of year | ₱6,863,079             | ₱112,424  | ₱6,975,503 |
| Additions                    | 84,717                 | —         | 84,717     |
| Balance at end of year       | 6,947,796              | 112,424   | 7,060,220  |
| Accumulated Amortization     |                        |           |            |
| Balance at beginning of year | 566,868                | 21,037    | 587,905    |
| Depreciation                 | 140,688                | 2,465     | 143,153    |
| Balance at end of year       | 707,556                | 23,502    | 731,058    |
| Net Book Value               | ₱6,240,240             | ₱88,922   | ₱6,329,162 |

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





Interest incurred and capitalized amounted to ₱142.64 million, ₱64.80 million and ₱90.71 million in 2025, 2024 and 2023, respectively.

In 2025, 2024 and 2023, related amortization recognized as part of “Cost of rental and related services” amounted to ₱233.45 million, ₱140.69 million and ₱70.61 million, respectively. Rental income amounting to ₱594.88 million, ₱466.11 million and ₱455.50 million in 2025, 2024 and 2023, respectively, was recognized as part of “Revenue from rental and related services”.

## 17. Other Noncurrent Assets

This account consists of:

|                                                                    | 2025              | 2024       |
|--------------------------------------------------------------------|-------------------|------------|
|                                                                    | (In Thousands)    |            |
| Advances to contractors and suppliers (Note 11)                    | <b>₱1,187,449</b> | ₱2,147,019 |
| Advances to joint venture partners                                 | <b>247,456</b>    | 258,718    |
| Deposits                                                           | <b>238,370</b>    | 223,616    |
| Input taxes - net of current portion                               | <b>230,170</b>    | 230,170    |
| Creditable withholding taxes - net of current portion<br>(Note 11) | <b>178,626</b>    | 239,031    |
| Investment in bonds                                                | <b>150,000</b>    | 150,000    |
| Financial assets at FVOCI                                          | <b>15,535</b>     | 15,535     |
| Other assets                                                       | <b>84,228</b>     | 52,239     |
|                                                                    | <b>₱2,331,834</b> | ₱3,316,328 |

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

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

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

“Financial assets at FVOCI” consist of quoted and unquoted shares of stock (see Note 31). Unquoted investments in shares of stock include unlisted preferred shares in a public utility company which the Group will continue to carry as part of the infrastructure that it provides for its real estate development projects. The Group did not receive dividends from unquoted shares in 2025, 2024 and 2023.

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



## 18. Accounts Payable and Accrued Expenses

This account consists of:

|                                                       | 2025           |             |             | 2024        |             |             |
|-------------------------------------------------------|----------------|-------------|-------------|-------------|-------------|-------------|
|                                                       | Current        | Noncurrent  | Total       | Current     | Noncurrent  | Total       |
|                                                       | (In Thousands) |             |             |             |             |             |
| Accounts payable                                      | ₱3,141,229     | ₱6,311,549  | ₱9,452,778  | ₱2,855,109  | ₱7,094,749  | ₱9,949,858  |
| Deposits from tenants                                 | 2,123,712      | 1,862,750   | 3,986,462   | 1,976,364   | 1,805,810   | 3,782,174   |
| Retention fees payable                                | 2,391,828      | 1,016,018   | 3,407,846   | 2,264,555   | 889,104     | 3,153,659   |
| Deposits for registration                             | 264,751        | 1,912,476   | 2,177,227   | 239,726     | 1,731,707   | 1,971,433   |
| Accrued expenses                                      | 2,138,768      | –           | 2,138,768   | 1,964,763   | –           | 1,964,763   |
| Accrued interest on bonds and loans (Notes 19 and 20) | 420,313        | –           | 420,313     | 535,049     | –           | 535,049     |
| Other payables (Note 21)                              | 955,716        | 181,219     | 1,136,935   | 1,111,510   | 114,097     | 1,225,607   |
|                                                       | ₱11,436,317    | ₱11,284,012 | ₱22,720,329 | ₱10,947,076 | ₱11,635,467 | ₱22,582,543 |

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

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

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

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

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

Accrued expenses account consists of:

|                           | 2025           | 2024       |
|---------------------------|----------------|------------|
|                           | (In Thousands) |            |
| Suppliers and contractors | ₱2,064,012     | ₱1,907,970 |
| Professional fees         | 40,375         | 39,077     |
| Utilities                 | 14,381         | 1,860      |
| Payroll                   | 12,808         | 10,908     |
| Other accruals            | 7,192          | 4,948      |
|                           | ₱2,138,768     | ₱1,964,763 |

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



## 19. Loans Payable

This account consists of:

|                                       | 2025               | 2024        |
|---------------------------------------|--------------------|-------------|
|                                       | (In Thousands)     |             |
| Short term loans                      | <b>₱6,800,000</b>  | ₱1,200,000  |
| Long-term loans                       | <b>43,298,715</b>  | 41,069,337  |
| Developmental loans from local banks  | <b>50,098,715</b>  | 42,269,337  |
| Less unamortized transaction costs    | <b>261,234</b>     | 236,693     |
|                                       | <b>49,837,481</b>  | 42,032,644  |
| Less current portion of loans payable | <b>15,605,867</b>  | 6,876,639   |
| Long-term portion of loans payable    | <b>₱34,231,614</b> | ₱35,156,005 |

Developmental loans from local banks will mature on various dates up to 2031. These Peso-denominated loans bear either fixed rates, which are priced using the Bloomberg Valuation (BVAL) plus margin, or floating interest rates, which are repriced quarterly, semi-annually or annually based on either 3-month, 6-month or 1-year BVAL or Target Reverse Repurchase Rate (TRRP), plus margin, per annum.

The Group availed additional loans amounting to ₱16.70 billion, ₱38.10 billion and ₱24.66 billion in 2025, 2024, and 2023, respectively. These include availment of short-term loans payable amounting to ₱8.65 billion, ₱11.52 billion and ₱16.51 billion in 2025, 2024 and 2023, respectively.

Principal payments made amounted to ₱8.87 billion, ₱32.91 billion and ₱20.53 billion in 2025, 2024 and 2023, respectively.

As of December 31, 2025 and 2024, short term loans payable, presented under current portion of loans payable amounted to ₱6.8 billion and ₱1.2 billion, respectively.

Total interest incurred on these loans (gross of related capitalized borrowing costs) amounted to ₱3.51 billion, ₱3.06 billion and ₱2.20 billion for the years ended December 31, 2025, 2024, and 2023, respectively.

Transactions costs capitalized amounted to ₱105.22 million and ₱242.36 million in 2025 and 2024, respectively. Amortization of transaction costs amounted to ₱80.68 million, ₱102.79 million and ₱109.55 million in 2025, 2024 and 2023, respectively, and included under “Interest and other finance charges” (see Note 24).

The Group’s loans payable is unsecured and no assets are held as collateral for these debts. The agreements covering the abovementioned loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.0x and interest coverage ratio ranging from 1.0x to 1.5x.

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock if it would materially and adversely affect the Group’s ability to perform its obligations; sale or transfer and disposal of all or a substantial part of its capital assets other than in the ordinary course of business; restrictions on use of funds other than the purpose it was approved for; and entering into any partnership, merger, consolidation or reorganization except in the ordinary course of business and except when the Group maintains controlling interest. As of December 31, 2025 and 2024, the Group has not been cited in default on any of its outstanding obligations.



## 20. Bonds Payable

This account consists of:

|                                       | 2025               | 2024        |
|---------------------------------------|--------------------|-------------|
|                                       | (In Thousands)     |             |
| Bonds payable                         | <b>₱33,170,400</b> | ₱36,095,400 |
| Less unamortized transaction costs    | <b>253,071</b>     | 238,812     |
|                                       | <b>32,917,329</b>  | 35,856,588  |
| Less current portion of bonds payable | <b>1,752,262</b>   | 14,815,944  |
| Long-term portion of bonds payable    | <b>₱31,165,067</b> | ₱21,040,644 |

- a. On December 4, 2014, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱7.00 billion comprising of ₱5.30 billion, 7-year fixed rate bonds with interest of 5.40% per annum due in 2021, and ₱1.70 billion, 10-year fixed rate bonds with interest of 5.64% per annum due in 2024. The Parent Company paid the remaining outstanding bonds payable amounting to ₱1.70 billion on December 4, 2024.
- b. On August 20, 2015, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.00 billion comprising of ₱7.00 billion, 7-year fixed rate bonds with interest of 5.36% per annum due in 2022, and ₱1.00 billion, 10-year fixed rate bonds with interest of 5.71% per annum due in 2025. The Parent Company paid the remaining balance amounting to ₱1.00 billion on August 20, 2025. As of December 31, 2024, ₱1.00 billion of the related bonds payable remain outstanding (nil as of December 31, 2025).
- c. On November 18, 2020, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.10 billion comprising of ₱6.34 billion, 3-year fixed rate bonds with interest of 3.34% per annum due in 2023, and ₱1.76 billion, 5.5-year fixed rate bonds with interest of 4.18% per annum due in 2026. As of December 31, 2025 and 2024, ₱1.76 billion of the related bonds payable remain outstanding.
- d. On December 21, 2021, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱10.00 billion comprising of ₱5.00 billion, 4-year fixed rate bonds with interest of 4.5300% due in 2025, and ₱5.00 billion, 6-year fixed rate bonds with interest of 5.2579% per annum due in 2027. The Parent Company paid the ₱5.00 billion bonds in December 2025. Outstanding balance of the related bonds payable as of December 31, 2025 and 2024 amounted to ₱5.00 billion and ₱10.00 billion, respectively.
- e. On June 23, 2022, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.90 billion, comprising of ₱8.925 billion, 3-year fixed rate bonds with interest of 5.3455% per annum due in 2025, and ₱2.975 billion, 5-year fixed rate bonds with interest of 6.4146% per annum due in 2027. The Parent Company paid the ₱8.925 billion bonds payable on June 23, 2025. Outstanding balance of the related bonds payable as of December 31, 2025 and 2024 amounted to ₱2.98 billion and ₱11.90 billion, respectively.
- f. On December 1, 2023, the Parent Company issued to the public unsecured 3.5-year fixed rate bonds with an interest rate of 6.9829% per annum and aggregate principal amount of ₱11.43 billion due in 2027. As of December 31, 2025 and 2024, outstanding balance from the related bonds payable amounted to ₱11.43 billion.



- g. On March 12, 2025, the Parent Company issued to the public unsecured fixed rate bonds with an aggregated principal amount of ₱12.00 billion, comprising of ₱6.785 billion, 5-year fixed rate bonds with interest of 6.2916% per annum due in 2030, ₱2.661 billion, 7-year fixed rate bonds with interest of 6.6550% per annum due in 2032, and ₱2.553 billion, 10-year fixed rate bonds with interest of 6.8312% due in 2035. As of December 31, 2025, outstanding balance of the related bonds payable amounted to ₱12.00 billion.

Interest incurred on these bonds (gross of related capitalized borrowing costs) amounted to ₱2.44 billion, ₱2.11 billion and ₱1.77 billion for the years ended December 31, 2025, 2024 and 2023, respectively. Payments made on these bonds amounted to ₱14.93 billion, ₱1.70 billion and ₱15.04 billion in 2025, 2024 and 2023, respectively.

Transactions costs capitalized amounted to ₱151.22 million in 2025 (nil in 2024). Accretion in 2025, 2024 and 2023 included as part of “Interest and other finance charges” amounted to ₱136.96 million, ₱88.08 million and ₱83.78 million, respectively (see Note 24).

The Group’s bonds payable are unsecured and no assets are held as collateral for these debts. These bonds require the Group to maintain certain financial ratios which include maximum debt-to-equity ratio ranging from 2.0x to 2.5x; minimum current ratio ranging from 1.0x to 2.0x ; and minimum debt service coverage ratio (DSCR) of 1.0x. As of December 31, 2025 and 2024, the Group has not been cited in default on any of its outstanding obligations.

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## 21. Related Party Transactions

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

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

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

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

Outstanding balances at year-end are unsecured, interest free and require settlement in cash, unless otherwise stated. The transactions are made on terms and prices agreed upon by the parties. As of December 31, 2025, and 2024, the Group has not made any provision for impairment loss relating to amounts owed by related parties. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.



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

|                                                  | 2025              |                        | Terms                                      | Conditions               | Note |
|--------------------------------------------------|-------------------|------------------------|--------------------------------------------|--------------------------|------|
|                                                  | Amount/<br>Volume | Due from /<br>(Due to) |                                            |                          |      |
|                                                  | (In Thousands)    |                        |                                            |                          |      |
| Bank under common control of the ultimate parent |                   |                        |                                            |                          |      |
| Cash and cash equivalents                        | <b>₱3,923,819</b> | <b>₱3,923,819</b>      | 0.50% to 4.50%                             | No impairment            | (a)  |
| Interest income                                  | <b>98,756</b>     | <b>-</b>               |                                            |                          |      |
|                                                  | <b>₱4,022,575</b> | <b>₱3,923,819</b>      |                                            |                          |      |
| Ultimate Parent                                  | <b>₱309</b>       | <b>₱1,175</b>          | Noninterest-bearing, collectible on demand | Unsecured, no impairment | (b)  |
| Associate – Pro-Excel                            |                   |                        |                                            |                          |      |
| Rent income                                      | <b>1,872</b>      | <b>-</b>               | Noninterest-bearing, payable on demand     | Unsecured                | (g)  |
| Share in other expenses                          | <b>(389)</b>      | <b>14,707</b>          | Due within 30 days                         | Unsecured, no impairment | (d)  |
| Associate – FBSC                                 |                   |                        |                                            |                          |      |
| Rent Income                                      | <b>44,080</b>     | <b>44,080</b>          | Noninterest-bearing, payable on demand     | Unsecured                | (g)  |
| Associate – DPI                                  |                   |                        |                                            |                          |      |
| Rent Income                                      | <b>9,720</b>      | <b>-</b>               | Noninterest-bearing, payable on demand     | Unsecured                | (g)  |
| Other income                                     | <b>18,314</b>     | <b>332,266</b>         | Due within 30 days                         | Unsecured, no impairment | (d)  |
| Associate – FMI                                  |                   |                        |                                            |                          |      |
| Other income                                     | <b>1,419</b>      | <b>1,882</b>           | Due within 30 days                         | Unsecured, no impairment | (d)  |
| Associate – FAI                                  |                   |                        |                                            |                          |      |
| Rent income                                      | <b>-</b>          | <b>99</b>              | Noninterest-bearing, collectible on demand | Unsecured, no impairment | (g)  |
| Share in other expenses                          | <b>141</b>        | <b>30,553</b>          | Noninterest-bearing, collectible on demand | Unsecured, no impairment | (d)  |
| Affiliates                                       |                   |                        |                                            |                          |      |
| Rental income                                    | <b>95,938</b>     | <b>-</b>               | Noninterest bearing                        | Unsecured, no impairment | (g)  |
| Share in common expenses                         | <b>(28,767)</b>   | <b>102,795</b>         | Noninterest-bearing, collectible on demand | Unsecured, no impairment | (e)  |
| Due from related parties (Note 9)                |                   | <b>₱527,557</b>        |                                            |                          |      |
| Parent                                           |                   |                        |                                            |                          |      |
| Share in Group expenses                          | <b>(₱17,131)</b>  | <b>(₱20,963)</b>       | Noninterest-bearing, payable on demand     | Unsecured                | (c)  |
| Rent Income                                      | <b>1,319</b>      |                        | Non-interest bearing                       | Unsecured                | (c)  |
| Associate – FBSC                                 |                   |                        |                                            |                          |      |
| Share in other expenses                          | <b>(39,788)</b>   | <b>-</b>               | Due within 30 days                         | Unsecured, no impairment | (d)  |
| Associate – FAI                                  |                   |                        |                                            |                          |      |
| Share in other expenses                          | <b>9</b>          | <b>(9)</b>             | Noninterest-bearing, payable on demand     | Unsecured                | (d)  |
| Associate – SPI                                  |                   |                        |                                            |                          |      |
| Share in other expenses                          | <b>(90,861)</b>   | <b>(48,726)</b>        | Noninterest-bearing, payable on demand     | Unsecured                | (d)  |
| Associate – ProActive                            |                   |                        |                                            |                          |      |
| Share in other expenses                          | <b>-</b>          | <b>(10,000)</b>        | Noninterest-bearing, payable on demand     | Unsecured                | (d)  |
| Affiliates                                       | <b>(41,574)</b>   | <b>(16,205)</b>        | Noninterest-bearing, payable on demand     | Unsecured                | (e)  |
| Due to related parties                           |                   | <b>(₱95,903)</b>       |                                            |                          |      |



|                                                  | 2024                                |                        |                                                                |                          |      |
|--------------------------------------------------|-------------------------------------|------------------------|----------------------------------------------------------------|--------------------------|------|
|                                                  | Amount/<br>Volume<br>(In Thousands) | Due from /<br>(Due to) | Terms                                                          | Conditions               | Note |
| Bank under common control of the ultimate parent |                                     |                        |                                                                |                          |      |
| Cash and cash equivalents                        | ₱3,533,791                          | ₱3,533,791             | 0.50% to 4.50%                                                 | No impairment            | (a)  |
| Interest income                                  | 40,964                              | –                      |                                                                |                          |      |
|                                                  | ₱3,574,755                          | ₱3,533,791             |                                                                |                          |      |
| Ultimate Parent                                  | ₱268                                | ₱866                   | Noninterest-bearing, collectible on demand                     | Unsecured, no impairment | (b)  |
| Parent                                           | (3,123)                             | –                      | Noninterest-bearing, payable on demand                         | Unsecured, no impairment | (c)  |
| Associate – CTI                                  |                                     |                        |                                                                |                          |      |
| Share in other expenses                          | 5,200                               | 19,388                 | Due within 30 days                                             | Unsecured, no impairment | (d)  |
| Associate - Pro-Excel                            |                                     |                        |                                                                |                          |      |
| Share in other expenses                          | (1,347)                             | 15,096                 | Due within 30 days                                             | Unsecured, no impairment | (d)  |
| Associate – DPI                                  |                                     |                        |                                                                |                          |      |
| Other Income                                     | (235,770)                           | 236,542                | Due within 30 days                                             | Unsecured, no impairment | (d)  |
| Associate – FMI                                  |                                     |                        |                                                                |                          |      |
| Other income                                     | (645)                               | 463                    | Due within 30 days                                             | Unsecured, no impairment | (d)  |
| Associate – FAI                                  |                                     |                        |                                                                |                          |      |
| Rent Income                                      | –                                   | 99                     | Noninterest-bearing, collectible on demand                     | Unsecured, no impairment | (g)  |
| Share in other expenses                          | 22,838                              | 30,412                 | Noninterest-bearing, collectible on demand                     | Unsecured, no impairment | (d)  |
| Affiliates                                       |                                     |                        |                                                                |                          |      |
| Rental income                                    | 7,191                               | –                      | Noninterest bearing                                            | Unsecured, no impairment | (g)  |
| Share in common expenses                         | (48,337)                            | 131,562                | Noninterest-bearing, collectible on demand                     | Unsecured, no impairment | (e)  |
| Due from related parties (Note 9)                |                                     | ₱434,428               |                                                                |                          |      |
| Parent                                           |                                     |                        |                                                                |                          |      |
| Share in Group expenses                          | (₱20,067)                           | (₱36,775)              | Noninterest-bearing, payable on demand                         | Unsecured                | (c)  |
| Asset acquisition                                | 346,414                             | –                      | Noninterest-bearing, collectible quarterly up to December 2024 | Unsecured                | (c)  |
| Associate – SPI                                  |                                     |                        |                                                                |                          |      |
| Share in other expenses                          | 120,716                             | (139,587)              | Noninterest-bearing, payable on demand                         | Unsecured                | (d)  |
| Associate – ProActive                            |                                     |                        |                                                                |                          |      |
| Share in other expenses                          | –                                   | (10,000)               | Noninterest-bearing, payable on demand                         | Unsecured                | (d)  |
| Affiliates                                       | (5,033)                             | (57,779)               | Noninterest-bearing, payable on demand                         | Unsecured                | (e)  |
| Due to related parties                           |                                     | (₱244,141)             |                                                                |                          |      |

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

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

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



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

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

The Group’s plan assets in the form of cash equivalents amounting to ₱122.22 million and ₱196.60 million as of December 31, 2025, and 2024, respectively, are maintained with EW (see Note 26). The Group also maintains cash and cash equivalents with EW.

*b. Transactions with Ultimate Parent (ALG)*

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

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

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

On December 12, 2022, FILRT entered a Deed of Sale for the purchase of three (3) parcels of land with a total area of 29,086 sqm. owned by FDC, located in Boracay, Aklan for a total consideration of ₱732.90 million payable on installment basis. In 2024, FILRT paid the remaining balance amounting to ₱346.41 million.

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

*d. Transactions with Associates*

*FAI*

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

*FMI*

Transactions with FMI relates to sharing of common expenses.

*FBSC*

Transactions with Financial Business Services, Corp. relate to sharing of common expenses and service fee for the business process outsourcing services for the Group.

On January 1, 2025, certain employees from finance, corporate and administration and human resources services of the Group were transferred to FBSC. FBSC then entered into a service partnership agreement, whereby the Group shall engage and pay the services rendered by the latter. This also includes retirement benefits of certain employees of FLI that were transferred to FBSC and the corresponding payable to FBSC was reported under “Accounts payable and accrued expenses” (see Note 18).





*Pro-Excel*

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

*DPI*

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

*SPI*

Transactions with SPI relates to sharing of common expenses and service fees for technical, project management and procurement. This also includes retirement benefits of certain employees of FLI that were transferred to SPI and the corresponding payable to SPI was reported under “Accounts payable and accrued expenses” (see Note 18).

Pro-Excel and DPI rents its office space from FLI while SPI rents its office space from FILRT. Revenue earned is recorded as part of Rental Revenues in the Statements of Comprehensive Income in 2025, 2024 and 2023 (see Note 6). Outstanding receivables are recorded as part of Other Receivables in the Statements of Financial position as of December 31, 2025 and 2024 (see Note 9).

*ProActive*

Transactions relates to subscription of ProActive’s capital stock amounting to ₱10.00 million on August 9, 2023.

*e. Transactions with Affiliates*

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

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

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

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

- f.* The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱85.92 million, ₱63.37 million and ₱48.74 million in 2025, 2024 and 2023, respectively. Post-employment benefits of key management personnel amounted to ₱21.24 million, ₱11.70 million and ₱8.26 million in 2025, 2024 and 2023, respectively.
- g. Lease with related parties - Group as lessor*  
Chroma Hospitality, Inc., Filinvest Hospitality Corp., Boracay Seascapes, Inc., Hospitality Enterprise Resources, FDC, FBSC, SPI, and FAI lease its office spaces from FILRT. Pro-Excel and DPI lease their office spaces from FLI. The lease term is 10 years, renewable by another five (5) years upon mutual agreement by the parties. Revenue from rental and related services amounted to ₱1.13 billion and ₱303.49 million in 2025 and 2024, respectively (see Note 6). The related outstanding receivables amounting to ₱18.85 million and ₱9.52 million as of December 31, 2025, and 2024, respectively, are presented as part of ‘Receivable from tenants’ under ‘Other receivables’ line item in the statement of financial position (see Note 9).



*h. Leases with related parties - Group as lessee*

The Group has several land lease transactions with related parties:

1. **Mall lease with FAI**  
The Parent Company, as lessee, entered into a lease agreement with FAI on a portion of the land area occupied by the Festival Supermall and its Expansion. On July 7, 2025, the Parent Company and FILRT entered into a Deed of Partial Assignment of Contract of Lease for the Festival Supermall Main Building (see Note 32). The lease term will expire on September 30, 2056.
2. **Land lease with FAI**  
The Parent Company, as lessee, entered into a lease agreement with FAI for a portion of land area occupied by a third-party lessee. The lease term will expire on December 31, 2034.
3. **FCMI lease with FMI**  
FCMI, a wholly owned subsidiary of the Parent Company, subleases the Mimosa Leisure Estate from FMI, an associate of the Parent Company. The original lessor is CDC. The lease term is 50 years, renewable by another 25 years upon mutual agreement by parties.
4. **PDDC lease with FAI**  
PDDC, a 60% owned subsidiary of the Parent Company, leases Block 50 Lot 3-B-2, Northgate District from FAI. The lease term is 20 years from the date on which the Chilled Water production plants start supplying chilled water.

As of December 31, 2025, and 2024, the amount included in lease liabilities payable to related parties amounted to ₱6,403.01 million and ₱6,260.0 million, respectively (see Note 15).

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**22. General and Administrative Expenses**

The account consists of:

|                                                            | 2025            | 2024     | 2023     |
|------------------------------------------------------------|-----------------|----------|----------|
|                                                            | (In Thousands)  |          |          |
| Salaries, wages and employee benefits                      | <b>₱998,927</b> | ₱973,947 | ₱787,916 |
| Taxes and licenses                                         | <b>650,305</b>  | 457,298  | 438,209  |
| Outside services                                           | <b>371,008</b>  | 200,485  | 153,558  |
| Depreciation and amortization<br>(Notes 13, 14, 15 and 16) | <b>302,591</b>  | 272,172  | 264,988  |
| Repairs and maintenance                                    | <b>261,804</b>  | 238,525  | 401,137  |
| Electronic data processing charges                         | <b>108,001</b>  | 72,673   | 106,848  |
| Retirement costs (Note 26)                                 | <b>93,866</b>   | 36,761   | 33,542   |
| Transportation and travel                                  | <b>87,352</b>   | 85,561   | 81,650   |
| Entertainment, amusement and recreation                    | <b>82,659</b>   | 79,101   | 82,684   |

(Forward)



|                                 | 2025              | 2024              | 2023              |
|---------------------------------|-------------------|-------------------|-------------------|
|                                 | (In Thousands)    |                   |                   |
| Communications, light and water | <b>₱53,287</b>    | <b>₱48,532</b>    | <b>₱54,357</b>    |
| Insurance                       | <b>44,062</b>     | 39,779            | 38,675            |
| Office supplies                 | <b>24,748</b>     | 18,166            | 16,757            |
| Rent (Notes 15 and 21)          | <b>21,877</b>     | 16,019            | 10,464            |
| Others                          | <b>97,062</b>     | 84,334            | 113,811           |
|                                 | <b>₱3,197,549</b> | <b>₱2,623,353</b> | <b>₱2,584,596</b> |

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

## 23. Selling and Marketing Expenses

The account consists of:

|                                     | 2025              | 2024              | 2023              |
|-------------------------------------|-------------------|-------------------|-------------------|
|                                     | (In Thousands)    |                   |                   |
| Brokers’ commissions (Note 6)       | <b>₱628,751</b>   | <b>₱822,537</b>   | <b>₱745,289</b>   |
| Selling, advertising and promotions | <b>290,404</b>    | 285,388           | 263,845           |
| Service fees                        | <b>204,826</b>    | 239,895           | 180,031           |
| Salaries and wages                  | <b>151,112</b>    | 144,696           | 116,533           |
| Sales office direct costs           | <b>58,856</b>     | 61,455            | 59,496            |
| Others                              | <b>8,378</b>      | 4,188             | 4,941             |
|                                     | <b>₱1,342,327</b> | <b>₱1,558,159</b> | <b>₱1,370,135</b> |

## 24. Interest and Other Finance Charges

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

|                                            | 2025            | 2024            | 2023            |
|--------------------------------------------|-----------------|-----------------|-----------------|
|                                            | (In Thousands)  |                 |                 |
| Interest income on:                        |                 |                 |                 |
| Contracts receivable (Note 8)              | <b>₱170,248</b> | <b>₱199,507</b> | <b>₱174,029</b> |
| Cash and cash equivalents (Notes 7 and 21) | <b>150,581</b>  | 98,695          | 80,387          |
| Others (Note 26)                           | <b>36,179</b>   | 20,886          | 29,562          |
|                                            | <b>₱357,008</b> | <b>₱319,088</b> | <b>₱283,978</b> |



|                                                                        | 2025              | 2024       | 2023       |
|------------------------------------------------------------------------|-------------------|------------|------------|
|                                                                        | (In Thousands)    |            |            |
| Interest and other finance charges:                                    |                   |            |            |
| Loans and bonds payable, net of interest capitalized (Notes 19 and 20) | <b>₱3,262,748</b> | ₱2,886,610 | ₱1,613,633 |
| Lease liabilities, net of interest capitalized (Note 15)               | <b>558,882</b>    | 520,667    | 487,174    |
| Amortization of transaction costs of loans and bonds (Notes 19 and 20) | <b>217,635</b>    | 190,861    | 193,341    |
| Other finance charges (Note 26)                                        | <b>38,320</b>     | 87,609     | 140,245    |
|                                                                        | <b>₱4,077,585</b> | ₱3,685,747 | ₱2,434,393 |

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

## 25. Other Income

The account consists of:

|                                              | 2025            | 2024     | 2023     |
|----------------------------------------------|-----------------|----------|----------|
|                                              | (In Thousands)  |          |          |
| Forfeited reservation and collections        | <b>₱269,732</b> | ₱206,591 | ₱92,854  |
| Service fees (Note 21)                       | <b>109,618</b>  | 114,506  | 155,339  |
| Processing fees                              | <b>77,365</b>   | 166,844  | 94,748   |
| Management, leasing and other fees (Note 21) | <b>20,660</b>   | 32,945   | 1,588    |
| Foreign currency exchange gain (loss)        | <b>1,507</b>    | 1,053    | (6,909)  |
| Others                                       | <b>12,355</b>   | 4,981    | 3,273    |
|                                              | <b>₱491,237</b> | ₱526,920 | ₱340,893 |

## 26. Retirement Costs

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

The retirement plan provides retirement benefits equivalent to 70% to 100% of the final monthly salary for every year of service. The funds are administered by the Group’s Treasurer under the supervision of the Board of Trustees of the Plan and are responsible for investment strategy of the Plan.



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

|                                                                            | 2025                                              |                             |                                    |
|----------------------------------------------------------------------------|---------------------------------------------------|-----------------------------|------------------------------------|
|                                                                            | Present value of<br>defined benefit<br>obligation | Fair value of<br>plan asset | Net defined<br>benefit liabilities |
|                                                                            | (In Thousands)                                    |                             |                                    |
| Balance as at beginning of year                                            | <b>₱595,336</b>                                   | <b>₱196,600</b>             | <b>₱398,736</b>                    |
| Net benefit costs in profit or loss                                        |                                                   |                             |                                    |
| Current service cost (Note 22)                                             | <b>93,866</b>                                     | —                           | <b>93,866</b>                      |
| Net interest (Note 24)                                                     | <b>35,755</b>                                     | <b>8,197</b>                | <b>27,558</b>                      |
|                                                                            | <b>129,621</b>                                    | <b>8,197</b>                | <b>121,424</b>                     |
| Benefits paid                                                              | <b>(25,262)</b>                                   | <b>(25,262)</b>             | —                                  |
| Contribution                                                               | —                                                 | <b>4,300</b>                | <b>(4,300)</b>                     |
| Net transfer (Note 18)                                                     | <b>(103,455)</b>                                  | <b>(45,818)</b>             | <b>(57,637)</b>                    |
| Remeasurement loss (gain) in other<br>comprehensive income                 |                                                   |                             |                                    |
| Changes in financial<br>assumptions                                        | <b>39,399</b>                                     | —                           | <b>39,399</b>                      |
| Experience adjustments                                                     | <b>(15,551)</b>                                   | —                           | <b>(15,551)</b>                    |
| Return on plan assets, excluding<br>amounts included in interest<br>income | —                                                 | <b>(15,796)</b>             | <b>15,796</b>                      |
|                                                                            | <b>23,848</b>                                     | <b>(15,796)</b>             | <b>39,644</b>                      |
| Balance as at end of year                                                  | <b>₱620,088</b>                                   | <b>₱122,221</b>             | <b>₱497,867</b>                    |

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

The Group's plan assets comprise of cash equivalents with original maturities of three months or less from dates of placements and are subject to insignificant risk of changes in value. As of December 31, 2025 and 2024, these placements are with EW (see Note 21). As of December 31, 2025 and 2024, the Group's plan assets are carried at fair value.

In 2025, certain employees of FLI were transferred to FBSC. The related retirement benefits of these employees were also transferred with a corresponding payable to FBSC. As of December 31, 2025, the outstanding balance of the transferred retirement benefits amounted to ₱46.58 million. (see Note 21).

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



The discount rate used in determining pension obligation for the defined benefit plan were 6.20 % to 6.44% and 5.10% to 6.20% in 2025 and 2024, respectively. The future salary increases rate used is 6.00% in 2025 and 2024, respectively.

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

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

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

| Assumption    | Increase (Decrease) | Increase (decrease) on DBO |          |
|---------------|---------------------|----------------------------|----------|
|               |                     | 2025                       | 2024     |
| Salary rate   | +1%                 | <b>₱93,141</b>             | ₱61,234  |
|               | -1%                 | <b>(22,426)</b>            | (54,332) |
| Discount rate | +1%                 | <b>(21,850)</b>            | (53,757) |
|               | -1%                 | <b>93,574</b>              | 61,668   |

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

|                                         | 2025           | 2024    |
|-----------------------------------------|----------------|---------|
|                                         | (In Thousands) |         |
| Less than one year                      | <b>₱70,512</b> | ₱97,060 |
| More than one year and up to five years | <b>159,041</b> | 177,794 |
| More than five years and up to 10 years | <b>418,212</b> | 350,342 |

The Group expects to contribute ₱4.30 million to its plan assets in the next 12 months.

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

## 27. Equity

The details of the Parent Company's common and preferred shares as of December 31, 2025 and 2024 follow:

|                               | Common                                      | Preferred  |
|-------------------------------|---------------------------------------------|------------|
|                               | (In Thousands,<br>Except Par Value figures) |            |
| Authorized shares             | ₱33,000,000                                 | ₱8,000,000 |
| Par value per share           | 1.00                                        | 0.01       |
| Issued and outstanding shares | 24,470,708                                  | 8,000,000  |
| Treasury shares               | 2,086,949                                   | —          |



In 2025 and 2024, there was no issuance of additional common shares.

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

|                              | 2025           |            | 2024      |            |
|------------------------------|----------------|------------|-----------|------------|
|                              | Shares         | Amount     | Shares    | Amount     |
|                              | (In Thousands) |            |           |            |
| <i>Common</i>                |                |            |           |            |
| Balance at beginning of year | 2,086,949      | ₱2,078,084 | 220,949   | ₱221,041   |
| Additions                    | —              | —          | 1,866,000 | 1,857,043  |
| Balance at end of year       | 2,086,949      | ₱2,078,084 | 2,086,949 | ₱2,078,084 |

#### Preferred Shares

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

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

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

#### Treasury Shares

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



The Parent Company had acquired 220.95 million shares at total cost of ₱221.04 million in 2008. On December 11, 2024, the Parent Company settled its Capped Voluntary Tender Offer, which was filed on October 2, 2024. The Parent Company has reacquired a total of 1,866,000,000 common shares in exchange for 597,120,000 FILRT common shares. The shareholders were offered 0.32 FILRT shares for every 1.00 FLI shares tendered. As a result of the voluntary tender offer, the Parent Company's interest in FILRT decreased to 51.10% and the costs of treasury shares amounted to ₱1.86 billion (Note 32). There were no additional acquisitions in 2025 and 2023. The retained earnings is restricted from dividend distribution to the extent of the cost of treasury shares.

#### Dividend Declarations

On April 24, 2025, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.05 per share or a total of ₱1.12 billion for all common stockholders and ₱0.0005 per share or a total of ₱4.00 million for all preferred stockholders of record as of May 14, 2025 payable on May 23, 2025.

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

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

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

As of December 31, 2025 and 2024, the Group's total dividends payable amounted to ₱21.41 million.

#### Retained Earnings

Retained earnings include undistributed earnings amounting to ₱1.08 billion and ₱1.31 billion as of December 31, 2025 and 2024, respectively, representing accumulated equity in net earnings of subsidiaries, which are not available for dividend declaration until declared as dividends by the subsidiaries.

Retained earnings are further restricted for the payment of dividends to the extent of the cost of the shares held in treasury and deferred tax asset recognized in profit or loss as of December 31, 2025 and 2024.

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





On November 11, 2025, FLI's BOD approved the reversal of the retained earnings appropriation amounting to ₱1.87 billion and appropriation of retained earnings amounting to ₱11.09 billion out of its unrestricted retained earnings as of December 31, 2024. The appropriations will cover the following:

(a) Appropriation for future capital expenditures:

| Project                    | Phase/Building | Amount<br>(In Thousands) | Estimated<br>Completion Date |
|----------------------------|----------------|--------------------------|------------------------------|
| The Glens                  | Phase 3        | ₱100,000                 | 2027                         |
| Futura Rise – Mactan       | Bldg. 1-8      | 340,000                  | 2028                         |
| Maldives                   | Bldg. G        | 656,000                  | 2029                         |
| Sorrento                   | Bldg. I        | 485,000                  | 2029                         |
| Futura Mira                | Phase 1        | 321,000                  | 2029                         |
| Centro Spatial             | Bldg. D        | 577,750                  | 2030                         |
| Sandia Homes               | Phase 2        | 433,350                  | 2030                         |
| Futura East                | Bldg. C        | 384,000                  | 2030                         |
| Futura Rise – San Rafael   | Bldg. 1-26     | 980,000                  | 2032                         |
| Futura Rise – Wood Estates | Bldg. 1-19     | 570,000                  | 2032                         |
| One Oasis Cebu             | Bldg. 6        | 2,257,000                | 2031                         |
|                            |                | <b>₱7,104,100</b>        |                              |

(b) Appropriation under special circumstances amounting to ₱3,983.13 million arising from gain on exchange of Festival Supermall Main Building on property for share swap transaction with FILRT (see Note 32).

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

(a) Appropriation for future capital expenditures:

| Project                   | Phase/Building  | Amount<br>(In Thousands) | Estimated<br>Completion Date |
|---------------------------|-----------------|--------------------------|------------------------------|
| Filinvest Innovation Park | Industrial      | ₱2,894,000               | 2029                         |
| Celestia                  | Phase 1         | 2,042,500                | 2029                         |
| Panglao Oasis             | Bldg. 2 - Elena | 800,000                  | 2029                         |
| Futura Rise Iloilo        | Bldgs. A – E    | 223,300                  | 2029                         |
| The Levels                | Catalina        | 2,560,300                | 2030                         |
| Cebu Ciudad               | Hotel           | 1,969,300                | 2030                         |
| Cebu Ciudad               | Office          | 1,523,600                | 2030                         |
| Belize Oasis              | Bella           | 821,700                  | 2030                         |
| Sydney Oasis              | Bldg. A         | 786,400                  | 2030                         |
| Futura Shores             | Bldg. A         | 625,000                  | 2030                         |
| Futura Monte              | Bldg. B         | 399,300                  | 2030                         |
|                           |                 | <b>₱14,645,400</b>       |                              |



(b) Appropriation under special circumstances:

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

On November 6, 2024, the BOD approved the reversal of the 2020 appropriated retained earnings amounting to ₱5.00 billion considering completion of related capital expenditures

Capital Management

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

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

No changes were made in capital management objectives, policies or processes for the years ended December 31, 2025, 2024 and 2023.

The Group monitors capital using interest-bearing debt-to-equity ratio, which is the long-term debt (loans payable, bonds payable) divided by total equity. The Group's policy is to keep the debt-to-equity ratio not to exceed 2:1. The following table shows how the Group computes for its interest-bearing debt-to-equity ratio:

|                                       | 2025               | 2024        |
|---------------------------------------|--------------------|-------------|
|                                       | (In Thousands)     |             |
| Loans payable (Note 19)               | <b>₱49,837,481</b> | ₱42,032,644 |
| Bonds payable (Note 20)               | <b>32,917,329</b>  | 35,856,588  |
| Long-term debt                        | <b>82,754,810</b>  | 77,889,232  |
| Total equity                          | <b>96,348,585</b>  | 93,335,512  |
| Interest-bearing debt-to-equity ratio | <b>0.86: 1.00</b>  | 0.83:1.00   |

The Group is subject to externally imposed capital requirements due to loan covenants (see Notes 19 and 20).

On August 12, 1993, SEC approved the registration of ₱2.0 billion common shares with issue price of ₱5.25 per share.

On December 15, 2006, SEC approved the registration of ₱3.7 billion common shares with issue price of ₱1.60 per share.



Below is the summary of the outstanding number of common shares and holders of security:

| Year                     | Number of<br>Shares<br>Registered<br>(In Thousands) | Number of<br>Holders of<br>Securities |
|--------------------------|-----------------------------------------------------|---------------------------------------|
| January 1, 2024          | 24,249,759                                          | 5,606                                 |
| Add/(deduct) movement    | (1,866,000)                                         | (50)                                  |
| December 31, 2024        | 22,383,759                                          | 5,556                                 |
| Add/(deduct) movement    | —                                                   | (6)                                   |
| <b>December 31, 2025</b> | <b>22,383,759</b>                                   | <b>5,550</b>                          |

\*Exclusive of 2,086,949 treasury shares as of December 31, 2025, and 2024.

## 28. Earnings Per Share

|                                                                                             | 2025                               | 2024       | 2023       |
|---------------------------------------------------------------------------------------------|------------------------------------|------------|------------|
|                                                                                             | (In Thousands, Except EPS Figures) |            |            |
| a. Net income attributable to the equity holder of the parent*                              | <b>₱4,167,699</b>                  | ₱4,164,468 | ₱3,762,508 |
| b. Weighted average number of outstanding common shares (after considering treasury shares) | <b>22,383,759</b>                  | 24,094,259 | 24,249,759 |
| Basic/Diluted EPS (a/b)                                                                     | <b>₱0.19</b>                       | ₱0.17      | ₱0.16      |

\*After deducting the dividends for preferred shareholders (see Note 27) – 2025: ₱4.00 million, 2024: ₱4.00 million, 2023: ₱2.90 million.

There were no potential dilutive shares in 2025, 2024 and 2023.

## 29. Income Tax

Provision for (benefit from) income tax consists of:

|          | 2025              | 2024       | 2023     |
|----------|-------------------|------------|----------|
|          | (In Thousands)    |            |          |
| Current  | <b>₱1,867,942</b> | ₱72,663    | ₱578,496 |
| Deferred | <b>(988,846)</b>  | 931,972    | 66,843   |
|          | <b>₱879,096</b>   | ₱1,004,635 | ₱645,339 |

The components of the Group's deferred income tax assets follow:

|                             | 2025            | 2024    |
|-----------------------------|-----------------|---------|
|                             | (In Thousands)  |         |
| Advance rentals             | <b>₱94,709</b>  | ₱49,359 |
| Accrued retirement benefits | <b>51,126</b>   | 45,032  |
| NOLCO                       | <b>1,641</b>    | 1,641   |
|                             | <b>₱147,476</b> | ₱96,032 |



The components of the Group's net deferred income tax liabilities follow:

|                                                                                                                | 2025               | 2024        |
|----------------------------------------------------------------------------------------------------------------|--------------------|-------------|
|                                                                                                                | (In Thousands)     |             |
| Deferred income tax liabilities on:                                                                            |                    |             |
| Capitalized borrowing costs (Note 2)                                                                           | <b>₱3,680,750</b>  | ₱3,120,527  |
| Excess of real estate revenue based on financial accounting policy over real estate revenue based on tax rules | <b>1,168,382</b>   | 2,739,695   |
| Right-of-use-assets                                                                                            | <b>901,514</b>     | 933,007     |
|                                                                                                                | <b>5,750,646</b>   | 6,793,229   |
| Deferred income tax assets on:                                                                                 |                    |             |
| Lease liabilities                                                                                              | <b>(1,140,502)</b> | (1,094,074) |
| NOLCO                                                                                                          | <b>(308,497)</b>   | (523,985)   |
| MCIT                                                                                                           | —                  | (152,573)   |
| Accrued retirement benefits charged to profit or loss                                                          | <b>(145,860)</b>   | (114,863)   |
| Remeasurement losses on retirement plan                                                                        | <b>(18,235)</b>    | (25,287)    |
| Advance rentals                                                                                                | <b>(40,581)</b>    | (23,923)    |
| Allowance for expected credit losses                                                                           | <b>(12,799)</b>    | (10,243)    |
| Others                                                                                                         | <b>(44,945)</b>    | (31,277)    |
|                                                                                                                | <b>(1,711,419)</b> | (1,976,225) |
|                                                                                                                | <b>₱4,039,227</b>  | ₱4,817,004  |

Provision for deferred income tax charged directly to other comprehensive income in 2025 and 2023 relating to remeasurement gain (loss) on defined benefit obligation amounted to ₱7.05 million and (₱6.89) million, respectively (nil in 2024).

The Group did not recognize deferred income tax assets on NOLCO of certain subsidiaries amounting to ₱758.49 million and ₱877.15 million as of December 31, 2025 and 2024, respectively, since management believes that their carryforward benefits may not be realized before they expire.

On September 30, 2020, the BIR issued Revenue Regulations No. 25-2020 implementing Section 4(bbbb) of the Bayanihan 2 Act which states that the NOLCO incurred for taxable years 2020 and 2021 can be carried over and claimed as a deduction from gross income for the next five (5) consecutive taxable years immediately following the year of such loss. NOLCO incurred before taxable year 2020 can be claimed as deduction from the regular taxable income for the next three (3) years immediately following the year of such loss.

The MCIT recognized as of December 31, 2024 amounting to ₱152.57 million was claimed as deduction from income tax due in 2025.



The carryforward benefits of the NOLCO, which can be claimed by the Group as credits against the RCIT, are as follows (amounts in thousands):

| Year Incurred | Amount          | Expiry Date       |
|---------------|-----------------|-------------------|
| 2025          | ₱70,908         | December 31, 2028 |
| 2024          | 89,038          | December 31, 2027 |
| 2023          | 451,559         | December 31, 2026 |
| 2021          | 301,509         | December 31, 2026 |
|               | <b>₱913,014</b> |                   |

The following are the movements in NOLCO:

|                                 | 2025               | 2024       |
|---------------------------------|--------------------|------------|
|                                 | (In Thousands)     |            |
| Balance as at beginning of year | <b>₱2,973,090</b>  | ₱1,978,515 |
| Addition                        | <b>70,908</b>      | 1,021,900  |
| Applied/expired                 | <b>(2,130,984)</b> | (27,325)   |
| Balance as at end of year       | <b>₱913,014</b>    | ₱2,973,090 |

The reconciliation of the provision for income tax at statutory tax rate to the actual provision for income tax follows:

|                                                                            | 2025              | 2024       | 2023       |
|----------------------------------------------------------------------------|-------------------|------------|------------|
|                                                                            | (In Thousands)    |            |            |
| Income tax at statutory tax rate                                           | <b>₱1,421,732</b> | ₱1,410,093 | ₱1,235,346 |
| Adjustments for:                                                           |                   |            |            |
| Nondeductible interest expense                                             | <b>7,666</b>      | 7,219      | 5,024      |
| Deductible expense - Optional Standard Deduction                           | <b>(20,498)</b>   | (44,674)   | (168,833)  |
| Equity in net earnings of associates                                       | <b>(132,268)</b>  | (89,579)   | (60,502)   |
| Income covered by PEZA (Note 34)                                           | <b>(355,241)</b>  | (228,851)  | (287,678)  |
| Income subjected to final tax                                              | <b>(9,365)</b>    | (19,739)   | (16,054)   |
| Interest on HGC-enrolled contracts receivables                             | <b>(3,265)</b>    | (19,274)   | (8,986)    |
| Change in unrecognized deferred tax                                        | <b>(29,665)</b>   | (2,679)    | 21,771     |
| Tax-exempt net income on socialized housing units                          | —                 | —          | 9,344      |
| Income tax holiday incentive on sales of BOI-registered projects (Note 34) | —                 | —          | (84,093)   |
| Others – net                                                               | —                 | (7,881)    | —          |
|                                                                            | <b>₱879,096</b>   | ₱1,004,635 | ₱645,339   |



### 30. Fair Value Measurement

The following table sets forth the fair value hierarchy of the Group's assets and liabilities measured at fair value and those for which fair values are required to be disclosed:

| 2025                                               |                |             |                                                |                                                  |                                                    |
|----------------------------------------------------|----------------|-------------|------------------------------------------------|--------------------------------------------------|----------------------------------------------------|
|                                                    | Carrying Value | Total       | Fair Value                                     |                                                  |                                                    |
|                                                    |                |             | Quoted Prices<br>in active market<br>(Level 1) | Significant<br>observable<br>inputs<br>(Level 2) | Significant<br>unobservable<br>inputs<br>(Level 3) |
|                                                    |                |             |                                                |                                                  |                                                    |
| Assets measured at fair value                      |                |             |                                                |                                                  |                                                    |
| Financial assets at FVOCI (Note 17)                |                |             |                                                |                                                  |                                                    |
| Quoted                                             | P6,458         | P6,458      | P6,458                                         | P–                                               | P–                                                 |
| Unquoted                                           | 9,077          | 9,077       | –                                              | –                                                | 9,077                                              |
|                                                    | P15,535        | P15,535     | P6,458                                         | P–                                               | P9,077                                             |
| Liabilities for which fair values are disclosed    |                |             |                                                |                                                  |                                                    |
| Financial liabilities at amortized cost            |                |             |                                                |                                                  |                                                    |
| Accounts payable and accrued expenses<br>(Note 18) |                |             |                                                |                                                  |                                                    |
| Accounts payable                                   | P9,452,778     | P8,915,000  | P–                                             | P–                                               | P8,915,000                                         |
| Retention fees payable                             | 3,407,846      | 3,213,970   | –                                              | –                                                | 3,213,970                                          |
| Deposits for registration                          | 2,177,227      | 2,053,362   | –                                              | –                                                | 2,053,362                                          |
|                                                    | 15,037,851     | 14,182,332  | –                                              | –                                                | 14,182,332                                         |
| Lease liabilities (Note 15)                        | 7,116,050      | 10,089,449  | –                                              | –                                                | 10,089,449                                         |
| Loans payable (Note 19)                            | 49,837,481     | 48,131,974  | –                                              | –                                                | 48,131,974                                         |
| Bonds payable (Note 20)                            | 32,917,329     | 17,712,975  | –                                              | –                                                | 17,712,975                                         |
|                                                    | P104,908,711   | P90,116,730 | P–                                             | P–                                               | P90,116,730                                        |
| 2024                                               |                |             |                                                |                                                  |                                                    |
|                                                    | Carrying Value | Total       | Fair Value                                     |                                                  |                                                    |
|                                                    |                |             | Quoted Prices in<br>active market<br>(Level 1) | Significant<br>observable inputs<br>(Level 2)    | Significant<br>unobservable<br>inputs<br>(Level 3) |
|                                                    |                |             |                                                |                                                  |                                                    |
| Assets measured at fair value                      |                |             |                                                |                                                  |                                                    |
| Financial assets at FVOCI (Note 17)                |                |             |                                                |                                                  |                                                    |
| Quoted                                             | P6,458         | P6,458      | P6,458                                         | P–                                               | P–                                                 |
| Unquoted                                           | 9,077          | 9,077       | –                                              | –                                                | 9,077                                              |
|                                                    | P15,535        | P15,535     | P6,458                                         | P–                                               | P9,077                                             |
| Liabilities for which fair values are disclosed    |                |             |                                                |                                                  |                                                    |
| Financial liabilities at amortized cost            |                |             |                                                |                                                  |                                                    |
| Accounts payable and accrued expenses<br>(Note 18) |                |             |                                                |                                                  |                                                    |
| Accounts payable                                   | P9,949,858     | P9,250,532  | P–                                             | P–                                               | P9,250,532                                         |
| Retention fees payable                             | 3,153,659      | 2,983,339   | –                                              | –                                                | 2,983,339                                          |
| Deposits for registration                          | 1,971,433      | 1,836,831   | –                                              | –                                                | 1,836,831                                          |
|                                                    | 15,074,950     | 14,070,702  | –                                              | –                                                | 14,070,702                                         |
| Lease liabilities (Note 15)                        | 6,930,338      | 9,826,141   | –                                              | –                                                | 9,826,141                                          |
| Loans payable (Note 19)                            | 42,032,644     | 40,328,382  | –                                              | –                                                | 40,328,382                                         |
| Bonds payable (Note 20)                            | 35,856,588     | 34,125,491  | –                                              | –                                                | 34,125,491                                         |
|                                                    | P99,894,520    | P98,350,716 | P–                                             | P–                                               | P98,350,716                                        |

The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

- *Cash and cash equivalents, due from and to related parties, other receivables and other current assets:* Due to the short-term nature of these accounts, their fair values approximate their carrying amounts.



- *Contracts receivables*: Estimated fair value of contracts receivables is based on the discounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date. Interest rates used was 11.5% - 19.0% in 2025 and 2024.

Due to the short-term nature of receivables from government and financial institutions, carrying amounts approximate fair values.

- *Financial assets at FVOCI*: Fair values were determined using quoted market prices at reporting date. Fair value of unquoted equity securities are based on the latest selling price available.
- *Accounts payable and accrued expenses*: On accounts due within one year, the fair value of accounts payable and accrued expenses approximates the carrying amounts. On accounts due for more than a year, estimated fair value is based on the discounted value of future cash flows using the prevailing interest rates on loans and similar types of payables as of the reporting date. Interest rate used was 5.69% and 6.83% in 2025 and 2024, respectively.
- *Long-term debt (lease liabilities, loans payable and bonds payable)*: Estimated fair value on debts with fixed interest and not subjected to quarterly repricing is based on the discounted value of future cash flows using the applicable interest rates for similar types of loans as of reporting date.

Long term debt subjected to quarterly repricing is not discounted since it approximates fair value. The discount rates used range from 4.18% to 6.98% as of December 31, 2025 and 2024.

During the years ended December 31, 2025, 2024 and 2023, 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.

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### 31. Financial Risk Management Objectives and Policies

The Group's principal financial instruments are composed of cash and cash equivalents, contracts and other receivables, due from related parties, financial assets at FVOCI, accounts payable and accrued expenses, due to related parties and long-term debt (loans payable and bonds payable). The main purpose of these financial instruments is to raise financing for the Group's operations.

The main objectives of the Group's financial risk management are as follows:

- To identify and monitor such risks on an ongoing basis;
- To minimize and mitigate such risks; and
- To provide a degree of certainty about costs.

The Group's finance and treasury functions operate as a centralized service for managing financial risks and activities, as well as providing optimum investment yield and cost-efficient funding for the Group. The Group's BOD reviews and approves the policies for managing each of these risks. The policies are not intended to eliminate risk but to manage it in such a way that opportunities to create value for the stakeholders are achieved. The Group's risk management takes place in the context of the normal business processes such as strategic planning, business planning, operational and support processes.



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

### Liquidity Risk

Liquidity risk is defined as the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Group seeks to manage its liquidity profile to be able to finance capital expenditures and service maturing debts. In order to cover its financing requirements, the Group uses both internally generated funds and available long-term and short-term credit facilities.

As of December 31, 2025 and 2024, the Group has undrawn short-term credit lines amounting ₱25.80 billion and ₱28.17 billion, respectively, and undrawn long-term credit facilities amounting ₱28.50 billion and ₱35.34 billion, respectively.

As part of its liquidity risk management, the Group regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities, in case any requirements arise. Fund raising activities may include bank loans and capital market issues.

The tables below summarize the maturity profile of the Group's financial liabilities as of December 31, 2025 and 2024 based on contractual undiscounted payments.

|                                                | 2025           |                    |                    |                        |                    |              |              |
|------------------------------------------------|----------------|--------------------|--------------------|------------------------|--------------------|--------------|--------------|
|                                                | On demand      | Less than 3 months | 3 months to 1 year | > 1 year but < 3 years | 3 years to 5 years | Over 5 years | Total        |
|                                                | (In Thousands) |                    |                    |                        |                    |              |              |
| <b>Financial liabilities at amortized cost</b> |                |                    |                    |                        |                    |              |              |
| Accounts payable and accrued expenses          |                |                    |                    |                        |                    |              |              |
| Accounts payable                               | ₱1,986,508     | ₱746,309           | ₱408,412           | ₱3,140,231             | ₱3,171,318         | ₱—           | ₱9,452,778   |
| Retention fees payable                         | 1,080,125      | 1,079,507          | 232,196            | 13,991                 | 638,641            | 363,386      | 3,407,846    |
| Deposits for registration                      |                | 641                | 264,110            | 969,767                | 381,972            | 560,737      | 2,177,227    |
| Accrued expenses                               | 2,138,768      | —                  | —                  | —                      | —                  | —            | 2,138,768    |
| Accrued interest on bonds and loans            | 420,313        | —                  | —                  | —                      | —                  | —            | 420,313      |
|                                                | 5,625,714      | 1,826,457          | 904,718            | 4,123,989              | 4,191,931          | 924,123      | 17,596,932   |
| Other payables                                 | 955,716        | —                  | —                  | 181,219                | —                  | —            | 1,136,935    |
| Due to related parties                         | 95,903         | —                  | —                  | —                      | —                  | —            | 95,903       |
| Loans payable                                  | —              | 4,663,199          | 13,989,598         | 16,120,401             | 15,426,289         | 10,147,005   | 60,346,492   |
| Bonds payable                                  | —              | 983,576            | 2,950,728          | 21,971,542             | 8,033,487          | —            | 33,939,333   |
| Lease liabilities                              | —              | 124,240            | 372,719            | 1,065,430              | 566,502            | 26,644,369   | 28,773,260   |
|                                                | ₱6,677,333     | ₱7,597,472         | ₱18,217,763        | ₱43,462,581            | ₱28,218,209        | ₱37,715,497  | ₱141,888,855 |

|                                         | 2024           |                    |                    |                        |                    |              |             |
|-----------------------------------------|----------------|--------------------|--------------------|------------------------|--------------------|--------------|-------------|
|                                         | On demand      | Less than 3 months | 3 months to 1 year | > 1 year but < 3 years | 3 years to 5 years | Over 5 years | Total       |
|                                         | (In Thousands) |                    |                    |                        |                    |              |             |
| Financial liabilities at amortized cost |                |                    |                    |                        |                    |              |             |
| Accounts payable and accrued expenses   |                |                    |                    |                        |                    |              |             |
| Accounts payable                        | 1,805,567      | 678,331            | 371,211            | 3,529,903              | 3,564,846          | —            | 9,949,858   |
| Retention fees payable                  | 1,022,650      | 1,022,064          | 219,841            | 12,243                 | 558,867            | 317,994      | 3,153,659   |
| Deposits for registration               | —              | 581                | 239,145            | 878,104                | 345,867            | 507,736      | 1,971,433   |
| Accrued expenses                        | 1,964,763      | —                  | —                  | —                      | —                  | —            | 1,964,763   |
| Accrued interest on bonds and loans     | 535,049        | —                  | —                  | —                      | —                  | —            | 535,049     |
|                                         | 5,328,029      | 1,700,976          | 830,197            | 4,420,250              | 4,469,580          | 825,730      | 17,574,762  |
| Other payables                          | 1,111,510      | —                  | —                  | 114,097                | —                  | —            | 1,225,607   |
| Due to related parties                  | 244,141        | —                  | —                  | —                      | —                  | —            | 244,141     |
| Loans payable                           | —              | 2,292,934          | 6,878,801          | 16,115,255             | 15,444,491         | 12,397,500   | 53,128,981  |
| Bonds payable                           | —              | 4,190,002          | 12,570,006         | 23,156,497             | —                  | —            | 39,916,505  |
| Lease liabilities                       | —              | 119,584            | 358,753            | 1,017,251              | 540,138            | 27,210,871   | 29,246,597  |
|                                         | 6,683,680      | 8,303,496          | 20,637,757         | 44,823,350             | 20,454,209         | 40,434,101   | 141,336,593 |





The tables below summarize the maturity profile of the Group's financial assets and contract assets held to manage liquidity as of December 31:

|                                                        | 2025       |                    |                    |                        |                    |              |             |
|--------------------------------------------------------|------------|--------------------|--------------------|------------------------|--------------------|--------------|-------------|
|                                                        | On demand  | Less than 3 months | 3 months to 1 year | > 1 year but < 3 years | 3 years to 5 years | Over 5 years | Total       |
| (In Thousands)                                         |            |                    |                    |                        |                    |              |             |
| Financial assets at amortized cost                     |            |                    |                    |                        |                    |              |             |
| Cash and cash equivalents                              |            |                    |                    |                        |                    |              |             |
| Cash on hand and in banks                              | ₱3,694,158 | ₱—                 | ₱—                 | ₱—                     | ₱—                 | ₱—           | ₱3,694,158  |
| Cash equivalents                                       | —          | 1,487,244          | —                  | —                      | —                  | —            | 1,487,244   |
| Contracts receivable                                   |            |                    |                    |                        |                    |              |             |
| Contracts receivable                                   | 1,456,250  | —                  | —                  | —                      | —                  | —            | 1,456,250   |
| Receivables from government and financial institutions |            |                    |                    |                        |                    |              |             |
| 247,095                                                | —          | —                  | —                  | —                      | —                  | —            | 247,095     |
| Other receivables                                      |            |                    |                    |                        |                    |              |             |
| Receivable from tenants - net                          | 2,087,855  | —                  | —                  | —                      | —                  | —            | 2,087,855   |
| Due from related parties                               | 527,557    | —                  | —                  | —                      | —                  | —            | 527,557     |
| Investment in bonds                                    | —          | —                  | —                  | —                      | 150,000            | —            | 150,000     |
| Receivable from homeowners' associations - net         |            |                    |                    |                        |                    |              |             |
| 267,340                                                | —          | —                  | —                  | —                      | —                  | —            | 267,340     |
| Others                                                 | 283,487    | —                  | —                  | —                      | —                  | —            | 283,487     |
| Short-term deposits                                    | —          | —                  | 53,299             | —                      | —                  | —            | 53,299      |
|                                                        | 8,563,742  | 1,487,244          | 53,299             | —                      | 150,000            | —            | 10,254,285  |
| Financial assets at FVOCI                              |            |                    |                    |                        |                    |              |             |
| Investments in shares of stocks:                       |            |                    |                    |                        |                    |              |             |
| Quoted                                                 | —          | —                  | —                  | 6,458                  | —                  | —            | 6,458       |
| Unquoted                                               | —          | —                  | —                  | 9,077                  | —                  | —            | 9,077       |
|                                                        | —          | —                  | —                  | 15,535                 | —                  | —            | 15,535      |
| Total financial assets                                 | 8,563,742  | 1,487,244          | 53,299             | 15,535                 | 150,000            | —            | 10,269,820  |
| Contract assets                                        | —          | 1,605,560          | 4,816,678          | 822,758                | 286,137            | 2,706,105    | 10,237,238  |
|                                                        | ₱8,563,742 | ₱3,092,804         | ₱4,869,977         | ₱838,293               | ₱436,137           | ₱2,706,105   | ₱20,507,058 |

|                                                        | 2024       |                    |                    |                        |                    |              |            |
|--------------------------------------------------------|------------|--------------------|--------------------|------------------------|--------------------|--------------|------------|
|                                                        | On demand  | Less than 3 months | 3 months to 1 year | > 1 year but < 3 years | 3 years to 5 years | Over 5 years | Total      |
| (In Thousands)                                         |            |                    |                    |                        |                    |              |            |
| Financial assets at amortized cost                     |            |                    |                    |                        |                    |              |            |
| Cash and cash equivalents                              |            |                    |                    |                        |                    |              |            |
| Cash on hand and in banks                              | ₱3,011,408 | ₱—                 | ₱—                 | ₱—                     | ₱—                 | ₱—           | ₱3,011,408 |
| Cash equivalents                                       | —          | 972,783            | —                  | —                      | —                  | —            | 972,783    |
| Contracts receivable                                   |            |                    |                    |                        |                    |              |            |
| Contracts receivable                                   | 1,932,985  | —                  | —                  | —                      | —                  | —            | 1,932,985  |
| Receivables from government and financial institutions |            |                    |                    |                        |                    |              |            |
| 245,297                                                | —          | —                  | —                  | —                      | —                  | —            | 245,297    |
| Other receivables                                      |            |                    |                    |                        |                    |              |            |
| Receivable from tenants - net                          | 2,302,942  | —                  | —                  | —                      | —                  | —            | 2,302,942  |
| Due from related parties                               | 434,428    | —                  | —                  | —                      | —                  | —            | 434,428    |
| Investment in bonds                                    | —          | —                  | —                  | —                      | 150,000            | —            | 150,000    |
| Receivable from homeowners' associations - net         |            |                    |                    |                        |                    |              |            |
| 174,596                                                | —          | —                  | —                  | —                      | —                  | —            | 174,596    |
| Others                                                 | 292,037    | —                  | —                  | —                      | —                  | —            | 292,037    |
| Short-term deposits                                    | —          | —                  | 179,750            | —                      | —                  | —            | 179,750    |
|                                                        | 8,393,693  | 972,783            | 179,750            | —                      | 150,000            | —            | 9,696,226  |



|                                  | 2024              |                    |                    |                        |                    |                 | Total              |
|----------------------------------|-------------------|--------------------|--------------------|------------------------|--------------------|-----------------|--------------------|
|                                  | On demand         | Less than 3 months | 3 months to 1 year | > 1 year but < 3 years | 3 years to 5 years | Over 5 years    |                    |
|                                  | (In Thousands)    |                    |                    |                        |                    |                 |                    |
| Financial assets at FVOCI        |                   |                    |                    |                        |                    |                 |                    |
| Investments in shares of stocks: |                   |                    |                    |                        |                    |                 |                    |
| Quoted                           | P—                | P—                 | P—                 | P6,458                 | P—                 | P—              | P6,458             |
| Unquoted                         | —                 | —                  | —                  | 9,077                  | —                  | —               | 9,077              |
|                                  | —                 | —                  | —                  | 15,535                 | —                  | —               | 15,535             |
| Total financial assets           | 8,393,693         | 972,783            | 179,750            | 15,535                 | 150,000            | —               | 9,711,761          |
| Contract assets                  | —                 | 1,446,495          | 4,339,484          | 1,846,887              | 463,962            | 342,265         | 8,439,093          |
|                                  | <b>P8,393,693</b> | <b>P2,419,278</b>  | <b>P4,519,234</b>  | <b>P1,862,422</b>      | <b>P613,962</b>    | <b>P342,265</b> | <b>P18,150,854</b> |

### Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily for its contracts receivables and other receivables.

It is the Group's policy that buyers who wish to avail the in-house financing scheme be subjected to credit verification procedures. Receivable balances are being monitored on a regular basis and subjected to appropriate actions to manage credit risk. Moreover, as discussed in Note 8, the Group has a mortgage insurance contract with Philippine Guarantee Corporation for a retail guaranty line.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. Title of the real estate property is only transferred to the customer if the consideration had been fully paid. In case of default, after enforcement activities, the Group has the right to cancel the sale and enter into another contract to sell to another customer after certain proceedings (e.g. grace period, referral to legal, cancellation process, reimbursement of previous payments) had been completed. Given this, based on the experience of the Group, the maximum exposure to credit risk at the reporting date is nil considering that fair value less cost to repossession of the real estate projects is higher than the exposure at default. The Group evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based groupings of various customer segments with similar loss patterns (i.e., by market segment and collateral type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Group's contracts receivables and contract assets using a provision matrix:

|                                                         | 2025               |                   |                 |                   |                   |                 |
|---------------------------------------------------------|--------------------|-------------------|-----------------|-------------------|-------------------|-----------------|
|                                                         | Total              | Socialized        | Low Affordable  | Affordable        | Middle Income     | High-end        |
|                                                         | (In Thousands)     |                   |                 |                   |                   |                 |
| <b>Expected credit loss rate</b>                        | 0%                 | 0%                | 0%              | 0%                | 0%                | 0%              |
| <b>Estimated total gross carrying amount at default</b> | <b>P11,940,583</b> | <b>P1,156,664</b> | <b>P423,632</b> | <b>P4,474,610</b> | <b>P5,294,467</b> | <b>P591,210</b> |



|                                                  | 2024           |            |                |            |               |          |
|--------------------------------------------------|----------------|------------|----------------|------------|---------------|----------|
|                                                  | Total          | Socialized | Low Affordable | Affordable | Middle Income | High-end |
|                                                  | (In Thousands) |            |                |            |               |          |
| Expected credit loss rate                        | 0%             | 0%         | 0%             | 0%         | 0%            | 0%       |
| Estimated total gross carrying amount at default | ₱10,617,375    | ₱998,096   | ₱927,492       | ₱3,333,568 | ₱4,364,922    | ₱993,297 |

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and financial assets at FVOCI, the Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Based on the Group's experience, the said assets are highly collectible or collectible on demand. The Group holds as collaterals the corresponding properties which the third parties had bought on credit. In few cases of buyer defaults, the Group can repossess the collateralized properties and resell them at the prevailing market price.

As at December 31, 2025 and 2024, the analysis of contracts receivable that were past due is as follows:

|      | Past due          |                 |                    |                     |                 | Total             |
|------|-------------------|-----------------|--------------------|---------------------|-----------------|-------------------|
|      | Less than 30 days | 30 to 60 days   | 61 days to 90 days | 91 days to 120 days | Over 120 days   |                   |
|      | (In Thousands)    |                 |                    |                     |                 |                   |
| 2025 | <b>₱160,005</b>   | <b>₱177,854</b> | <b>₱73,484</b>     | <b>₱74,910</b>      | <b>₱969,997</b> | <b>₱1,456,250</b> |
| 2024 | 1,096,522         | 277,554         | 211,176            | 99,212              | 248,521         | 1,932,985         |

*No individually impaired and expected credit loss have been recognized for contracts receivables.*

There is no concentration risk on the Group's financial assets as of December 31, 2025 and 2024.

#### Interest Rate Risk

The Group's exposure to interest rate risk for changes in interest rates relates primarily to the Group's loans from various financial institutions. To manage interest rate risk, the Group renegotiates the interest rates for certain long term debts to convert them from fixed-rate debt to floating-rate debt as the Group believes that the current interest rate environment makes it more favorable to carry floating-rate debt.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Group's profit before tax (through the impact on floating rate borrowings). There is no other impact on the Group's other comprehensive income other than those already affecting the profit and loss.

|      | Increase (decrease) in basis points | Effect on income before income tax (In Thousands) |
|------|-------------------------------------|---------------------------------------------------|
| 2025 | +200                                | <b>₱362,831</b>                                   |
|      | -200                                | <b>(362,831)</b>                                  |
| 2024 | +200                                | 200,968                                           |
|      | -200                                | (200,968)                                         |



The assumed change in rate is based on the currently observable market environment. Effect on the Group's income before tax is computed on the carrying amount of the Group's floating rate loans payable as of December 31, 2025 and 2024.

The following tables set out the carrying amount, by maturity, of the Group's loans payable that are exposed to interest rate risk (amounts in thousands):

| Variable interest rate         | 91-day Treasury bill plus 1% to 2% margin |                   |                       |                    |                   | Total              |
|--------------------------------|-------------------------------------------|-------------------|-----------------------|--------------------|-------------------|--------------------|
|                                | Below 1 Year                              | 1-2 Years         | >2 years but <3 years | 3 years to 4 years | Over 4 years      |                    |
| <b>As of December 31, 2025</b> | <b>₱3,600,000</b>                         | <b>₱1,160,000</b> | <b>₱3,716,767</b>     | <b>₱8,875,000</b>  | <b>₱1,051,000</b> | <b>₱18,402,767</b> |
| As of December 31, 2024        | 200,000                                   | —                 | 1,160,000             | 50,100             | 8,875,000         | 10,285,100         |

### 32. Subsidiary with Material Noncontrolling Interest

The noncontrolling interest of FLI in its partially-owned subsidiaries as of December 31 follows:

|             | 2025  | 2024  |
|-------------|-------|-------|
| FBCI        | 45.0% | 45.0% |
| FAC         | 40.0% | 40.0% |
| PDDC        | 40.0% | 40.0% |
| FSM Cinemas | 40.0% | 40.0% |
| FILRT       | 36.7% | 48.9% |
| NSI         | 25.0% | 25.0% |
| TSNC        | 2.0%  | 2.0%  |

On January 24, 2025, FLI's and FILRT's BOD approved the sale of FLI real property to FILRT under a tax-free property-for-share swap transaction. FLI will transfer its ownership over Festival Supermall Main Mall in favor of FILRT, in exchange for 1,626,003,316 primary common shares of FILRT at an issue price of ₱3.85 per share, with a total value of ₱6.26 billion. On March 5, 2025, the Parent Company and FILRT executed the Memorandum of Agreement and the Deed of Exchange. On May 27, 2025, the SEC issued the Certificate of Approval of Valuation for the Transaction and the related shares were issued on May 29, 2025. This transaction reduced noncontrolling interest in FILRT from 48.9% to 36.7%.

On December 11, 2024, the Parent Company settled its Capped Voluntary Tender Offer, wherein the Parent Company reacquired a total of 1,866,000,000 common shares in exchange for 597,120,000 FILRT common shares (see Note 27). This increased noncontrolling interest from 36.7% as of December 31, 2023 to 48.9% as of December 31, 2024.

Total dividends declared and paid to noncontrolling interest follows:

|       | Total Dividends Declared | Share of Noncontrolling Interest |
|-------|--------------------------|----------------------------------|
|       | (In Thousands)           |                                  |
| FILRT |                          |                                  |
| 2025  | ₱1,483,252               | ₱581,839                         |
| 2024  | 1,237,873                | 454,671                          |
| 2023  | 1,389,549                | 510,381                          |

(Forward)



|             | Total<br>Dividends<br>Declared | Share of<br>Noncontrolling<br>Interest |
|-------------|--------------------------------|----------------------------------------|
|             | (In Thousands)                 |                                        |
| FAC         |                                |                                        |
| <b>2025</b> | <b>P150,000</b>                | <b>P60,000</b>                         |
| 2024        | 350,000                        | 140,000                                |
| 2023        | 375,000                        | 150,000                                |
| PDDC        |                                |                                        |
| 2024        | <b>P100,000</b>                | <b>P40,000</b>                         |

The summarized financial information of FILRT as of and for the year December 31, 2025 and 2024 is provided below. This information is based on amounts consolidated to the Group under the same accounting policy (i.e., cost accounting for investment properties and intangible assets) before intercompany eliminations.

*Summarized Statement of Financial Position:*

|                        | 2025              | 2024       |
|------------------------|-------------------|------------|
|                        | (In Thousands)    |            |
| Current assets         | <b>P1,827,572</b> | P1,660,729 |
| Noncurrent assets      | <b>12,967,358</b> | 10,886,899 |
| Total assets           | <b>14,794,930</b> | 12,547,628 |
| Current liabilities    | <b>1,384,325</b>  | 1,568,972  |
| Noncurrent liabilities | <b>6,748,446</b>  | 6,514,655  |
| Total liabilities      | <b>8,132,771</b>  | 8,083,627  |
| Equity                 | <b>P6,662,159</b> | P4,464,001 |

*Statement of Comprehensive Income*

|                                                    | 2025               | 2024       |
|----------------------------------------------------|--------------------|------------|
|                                                    | (In Thousands)     |            |
| Revenues                                           | <b>P3,582,964</b>  | P2,843,627 |
| Cost and other expenses                            | <b>1,790,605</b>   | 1,605,208  |
| Other charges                                      | <b>4,359,708</b>   | 384,371    |
| Income before income tax                           | <b>(2,567,349)</b> | 854,048    |
| Net income for the year                            | <b>(2,567,349)</b> | 854,048    |
| Net income attributable to noncontrolling interest | <b>P522,503</b>    | P319,195   |

*Statement of Cash Flows*

|                                           | 2025               | 2024        |
|-------------------------------------------|--------------------|-------------|
|                                           | (In Thousands)     |             |
| Cash flows from (used in)                 |                    |             |
| Operating activities                      | <b>P1,856,538</b>  | P1,145,565  |
| Investing activities                      | <b>(204,736)</b>   | (112,913)   |
| Financing activities                      | <b>(1,872,818)</b> | (1,689,835) |
| Net increase in cash and cash equivalents | <b>(P221,016)</b>  | (P657,183)  |



The entire proceeds from FILRT's listing and any subsequent sale thereafter, shall be used in accordance with its reinvestment plan. As a REIT entity, FILRT is subject to externally imposed capital requirements from its debt covenants and based on the requirements of the Aggregate Leverage Limit under the REIT Implementing Rules and Regulations. Per Section 8 of the REIT Implementing Rules and Regulations issued by the SEC, the total borrowings and deferred payments of a REIT should not exceed thirty-five percent (35%) of its Deposited Property; provided, however, that the total borrowings and deferred payments of a REIT that has a publicly disclosed investment grade credit rating by a duly accredited or internationally recognized rating agency may exceed thirty-five percent (35%) but not more than seventy percent (70%) of its Deposited Property. Provided, further, that in no case shall a Fund Manager, borrow for the REIT from any of the funds under its management.

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### 33. Contingencies and Commitments

#### *Contingencies*

The Group is involved in various legal actions, claims, assessments and other contingencies incidental to its ordinary course of business. Management believes that any amount the Group may have to pay in connection with any of these matters would not have a material adverse effect on the consolidated financial position or operating results. The other information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed as they may prejudice the outcome of the ongoing proceedings.

#### *BTO Agreement with Cebu Province*

In connection with the BTO Agreement with the Cebu Province, the Group is committed to develop and construct a BPO Complex on the properties owned by Cebu Province located at Salinas, Lahug, Cebu City and transfer the ownership of the BPO Complex to the Cebu Province upon completion in exchange for the right to operate and manage the BPO Complex for the entire term of the agreement and its renewal (see Note 16).

#### *Capital Commitments and Obligations*

The Group has contractual commitments and obligations for the construction and development costs to be incurred for investment properties and property and equipment items aggregating ₱6.33 billion and ₱6.30 billion as of December 31, 2025 and 2024, respectively. These will be recognized as liabilities in the Group's consolidated financial statements when the related services are received.

#### *Assignment of Development Rights under a BTO Agreement*

On June 26, 2015, the Parent Company and a third party entered into an agreement whereby the latter agreed to assign its project development rights and benefits under its BTO Agreement with Cebu Province to the Parent Company. In consideration of this assignment, the Parent Company paid upfront fee amounting to ₱50.0 million and ₱150.0 million in 2016 and 2015, respectively. On January 30, 2024, the Parent Company and the Province of Cebu entered into an Amendment Agreement to the BTO Agreement, recognizing the full assignment not only of the rights and benefits but also the obligations under the BTO Agreement in favor of the Parent Company as the successor proponent to the contemplated project development. As of December 31, 2025, project construction has not started due to pending approval from Cebu Province on the cleared site. Thus, the upfront fee is recorded as part of 'Other noncurrent assets' in the consolidated statement of financial position (see Note 17).



*Development Agreement with Bases Conversion Development Authority (BCDA)*

In 2015, the Parent Company won the contract to develop a 288-hectare area in Clark Green City in Tarlac and paid 10% of the bid premium as bid security amounted to ₱16.0 million. On January 8, 2016, the Joint Venture Agreement with BCDA was signed and pursuant to the terms of the development of the project, the Parent Company paid the ₱160.0 million bid premium representing the right to own 55% of the equity on the joint venture company to be formed with BCDA.

On February 11, 2016, the Parent Company incorporated FCGC Corporation, the entity that will handle the development of the New Clark City (NCC) Project, formerly Clark Green City Project. The bid premium is presented as part of investment properties in the consolidated financial statements (see Note 13). On March 16, 2016, FCGC and BCDA incorporated Filinvest BCDA Clark Inc. (FBCI). FCGC subscribed 282,880,000 shares at par value amounting to ₱282,880,000.

On the other hand, BCDA subscribed 231,000,000 shares amounting ₱231,000,000 and paid its subscription thru the assignment of a 50-year Development and Usufructuary Rights (DUR) over the parcel of land where the NCC project will be developed. FBCI is 55%-owned by FCGCC and 45%-owned by BCDA.

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**34. Registration with PEZA**

On February 13, 2002, the Parent Company, FAC and FILRT were registered with Philippine Economic Zone Authority (PEZA) pursuant to the provisions of RA No. 7916 as the Ecozone Developer/Operator to lease, sell, assign, mortgage, transfer or otherwise encumber the area designated as a Special Economic Zone (Ecozone). The same shall be known as Filinvest Technology Park-Calamba.

Under the registration, the Parent Company shall enjoy 5% preferential tax privilege on income generated from the Ecozone in lieu of the regular income tax rate.

On June 11, 2001, FAC was registered with PEZA as the developer/operator of PBCom Tower not entitled to any incentives. However, IT enterprises which shall locate in PBCom Tower shall be entitled to tax incentives pursuant to RA No. 7916.

On June 6, 2000, FILRT was registered with PEZA as an ECOZONE Facilities Enterprise. As a registered enterprise, it is also entitled to certain tax and non-tax benefits such as exemption from payment of national and local taxes and instead a special tax rate of five percent (5%) of gross income.

On December 15, 2015, PDDC was registered with PEZA as an ECOZONE Facilities Enterprise. As a registered enterprise, PDDC is entitled to certain tax and non-tax benefits such as exemption from payment of national and local taxes and instead a special tax rate of five percent (5%) of gross income.

On July 3, 2019, FBCI was registered with PEZA as an ECOZONE developer/operator enterprise of New Clark City Phase I. As a registered enterprise, FBCI is entitled to certain tax and non-tax benefits such as exemption from payment of national and local taxes and instead a special tax rate of five percent (5%) of gross income.

The Group is also entitled to zero percent (0%) value-added tax for sales made to ECOZONE enterprises.



### 35. Notes to Statements of Cash Flows

The Group's noncash activities are as follows:

- Land and land developments previously presented under real estate inventories were reclassified to investment properties amounting to ₱33.71 million and ₱1,589.80 million in 2025 and 2024, respectively. (see Notes 10 and 13).
- Investment properties were reclassified to real estate inventories amounting to ₱42.95 million in 2024 (nil in 2025; see Notes 10 and 13).
- Investment properties and property and equipment which remain unpaid amounted to ₱2,721.37 million and ₱21.92 million as of December 31, 2025, respectively; and ₱3,082.14 million and ₱93.01 million as of December 31, 2024, respectively (see Notes 13 and 14).
- The Group has remaining unpaid cash dividend amounting to ₱21.41 million out of the dividends declared as of December 31, 2025 and 2024 (see Note 27).
- Total accretion of interest on loans and bonds payable amounted to ₱80.68 million and ₱136.95 million, respectively, in 2025; and ₱102.79 million and ₱88.08 million, respectively, in 2024 (see Notes 19 and 20).
- In 2024, the Group paid the outstanding balance amounting ₱346.41 million, pertaining to the acquisition of parcels of land (nil in 2025; see Note 21).

Changes in liabilities arising from financing activities for the years ended December 31 follows:

|                        | 2025               |              |                     |                      |
|------------------------|--------------------|--------------|---------------------|----------------------|
|                        | January 1,<br>2025 | Cash flows   | Noncash<br>movement | December 31,<br>2025 |
|                        | (In Thousands)     |              |                     |                      |
| Loans payable          | ₱42,032,644        | ₱7,829,378   | (₱24,541)           | ₱49,837,481          |
| Bonds payable          | 35,856,588         | (2,925,000)  | (14,259)            | 32,917,329           |
| Accrued interest       | 535,049            | (6,111,517)  | 5,996,781           | 420,313              |
| Dividends payable      | 21,413             | (1,123,188)  | 1,123,188           | 21,413               |
| Lease liabilities      | 6,930,338          | (463,346)    | 649,058             | 7,116,050            |
| Due to related parties | 244,141            | (148,238)    | —                   | 95,903               |
|                        | ₱85,620,173        | (₱2,941,911) | ₱7,730,227          | ₱90,408,489          |

|                        | 2024               |              |                     |                      |
|------------------------|--------------------|--------------|---------------------|----------------------|
|                        | January 1,<br>2024 | Cash flows   | Noncash<br>Movement | December 31,<br>2024 |
|                        | (In Thousands)     |              |                     |                      |
| Loans payable          | ₱36,987,927        | ₱5,184,288   | (₱139,571)          | ₱42,032,644          |
| Bonds payable          | 37,468,512         | (1,699,995)  | 88,071              | 35,856,588           |
| Accrued interest       | 674,345            | (5,300,228)  | 5,160,932           | 535,049              |
| Dividends payable      | 21,413             | (1,851,159)  | 1,851,159           | 21,413               |
| Lease liabilities      | 6,719,861          | (408,907)    | 619,384             | 6,930,338            |
| Due to related parties | 488,486            | 102,069      | (346,414)           | 244,141              |
|                        | ₱82,360,544        | (₱3,973,932) | ₱7,233,561          | ₱85,620,173          |





|                        | 2023               |              |                     |                      |
|------------------------|--------------------|--------------|---------------------|----------------------|
|                        | January 1,<br>2023 | Cash flows   | Noncash<br>movement | December 31,<br>2023 |
|                        | (In Thousands)     |              |                     |                      |
| Loans payable          | ₱32,849,484        | ₱4,131,388   | ₱7,055              | ₱36,987,927          |
| Bonds payable          | 41,132,786         | (3,604,600)  | (59,674)            | 37,468,512           |
| Accrued interest       | 830,908            | (4,118,521)  | 3,961,958           | 674,345              |
| Dividends payable      | 21,413             | (1,536,252)  | 1,536,252           | 21,413               |
| Lease liabilities      | 6,508,490          | (372,444)    | 583,815             | 6,719,861            |
| Due to related parties | 754,264            | (265,778)    | —                   | 488,486              |
|                        | ₱82,097,345        | (₱5,766,207) | ₱6,029,406          | ₱82,360,544          |

‘Noncash movement’ column includes amortization of debt issuance costs and interest expense for loans payable and bonds payable, dividend declaration and share in the net income of noncontrolling interest.

### 36. Subsequent Events

On February 16, 2026, the BOD approved the issuance of the third tranche of the Parent Company’s shelf registration with the SEC under MSRD Order No. 64, Series of 2023, of up to ₱11.57 billion worth of fixed-rate peso denominated bonds with a maturity period of up to ten (10) years.



## **INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY SCHEDULES**

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

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Filinvest Land, Inc. (the Parent Company) and its subsidiaries (collectively referred to as "the Group") as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated February 16, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The schedules listed in the Index to the Supplementary Schedules are the responsibility of the Group's management. These schedules are presented for purposes of complying with the Revised Securities Regulation Code Rule 68, and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state, in all material respects, the financial information required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

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

SEC Partner Accreditation No. 118546-SEC (Group A)

Valid to cover audit of 2019 to 2023 financial statements,  
with extension up to audit of 2025 financial statements

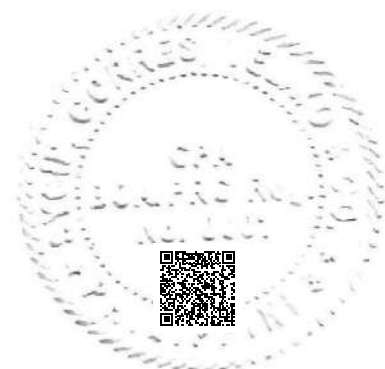
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-137-2026, January 23, 2026, valid until January 22, 2029

PTR No. 10765124, January 2, 2026, Makati City

February 16, 2026



**FILINVEST LAND, INC. AND SUBSIDIARIES**  
**INDEX TO THE SUPPLEMENTARY SCHEDULES**

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Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration

Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered

Annex C: Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock

**FILINVEST LAND, INC.****SUPPLEMENTARY SCHEDULE OF RETAINED EARNINGS****AVAILABLE FOR DIVIDEND DECLARATION****DECEMBER 31, 2025**

(Amounts in Thousands of Pesos)

|                                                                                                                                                     |            |                   |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------------|
| <b>Unappropriated Retained Earnings, beginning of reporting period</b>                                                                              |            | ₱30,018,518       |
| <b>Add: Items that are directly credited to Unappropriated Retained Earnings</b>                                                                    |            |                   |
| Reversal of retained earnings appropriation                                                                                                         | 1,866,000  |                   |
| Effect of restatements                                                                                                                              | –          |                   |
| Others                                                                                                                                              | –          | 1,866,000         |
| <b>Less: Items that are directly debited to Unappropriated Retained Earnings</b>                                                                    |            |                   |
| Dividend declaration during the reporting period                                                                                                    | 1,123,188  |                   |
| Retained earnings appropriated during the reporting period                                                                                          | 11,087,230 |                   |
| Effect of restatements                                                                                                                              | –          |                   |
| Others – treasury shares                                                                                                                            | 2,078,084  | (14,288,502)      |
| <b>Unappropriated Retained Earnings, as adjusted</b>                                                                                                |            | <b>17,596,016</b> |
| <b>Add/Less: Net income (loss) for the current year</b>                                                                                             |            | <b>8,222,345</b>  |
| <b>Less: Unrealized income recognized in the profit or loss during the reporting period (net of tax)</b>                                            |            |                   |
| Equity in net income of associate/joint venture, net of dividends declared                                                                          | –          |                   |
| Unrealized foreign exchange gain, except those attributable to cash and equivalents                                                                 | –          |                   |
| Unrealized fair value adjustment (marked-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)                     | –          |                   |
| Unrealized fair value gain of investment property                                                                                                   | –          |                   |
| Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under PFRS                         | –          |                   |
| Sub-total                                                                                                                                           |            | –                 |
| <b>Add: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</b> |            |                   |
| Realized foreign exchange gain, except those attributable to Cash and cash equivalents                                                              | –          |                   |
| Realized fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss FVTPL)                        | –          |                   |
| Realized fair value gain of Investment Property                                                                                                     | –          |                   |
| Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS                       | –          |                   |
| Sub-total                                                                                                                                           |            | –                 |

(Forward)

**Add: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)**

|                                                                                                                                                                  |    |   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|---|
| Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents                                                    | ₱- |   |
| Reversal of previously recorded fair value adjustment (market-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)             | -  |   |
| Reversal of previously recorded fair value gain of Investment Property                                                                                           | -  |   |
| Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded | -  |   |
| Sub-total                                                                                                                                                        |    | - |

|                                 |  |                  |
|---------------------------------|--|------------------|
| <b>Adjusted Net Income/Loss</b> |  | <b>8,222,345</b> |
|---------------------------------|--|------------------|

**Add: Non-actual losses recognized in profit or loss during the reporting period (net of tax)**

|                                                   |   |   |
|---------------------------------------------------|---|---|
| Depreciation on revaluation increment (after tax) | - |   |
| Sub-total                                         |   | - |

**Add/Less: Adjustments related to relief granted by the SEC and BSP**

|                                                          |   |   |
|----------------------------------------------------------|---|---|
| Amortization of the effect of reporting relief           | - |   |
| Total amount of reporting relief granted during the year | - |   |
| Others                                                   | - |   |
| Sub-total                                                |   | - |

**Add/Less: Other items that should be excluded from the determination of the amount of available for dividends distribution**

|                                                                                                                                                                                                                                                                     |           |         |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------|
| Net movement of treasury shares (except for reacquisition of redeemable shares)                                                                                                                                                                                     | -         |         |
| Net movement of deferred tax asset not considered in the reconciling items under the previous categories                                                                                                                                                            | 377,313   |         |
| Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right of use asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable | (161,990) |         |
| Adjustment due to deviation from PFRS/GAAP - gain (loss)                                                                                                                                                                                                            | -         |         |
| Others                                                                                                                                                                                                                                                              | -         |         |
| Sub-total                                                                                                                                                                                                                                                           | 215,323   | 215,323 |

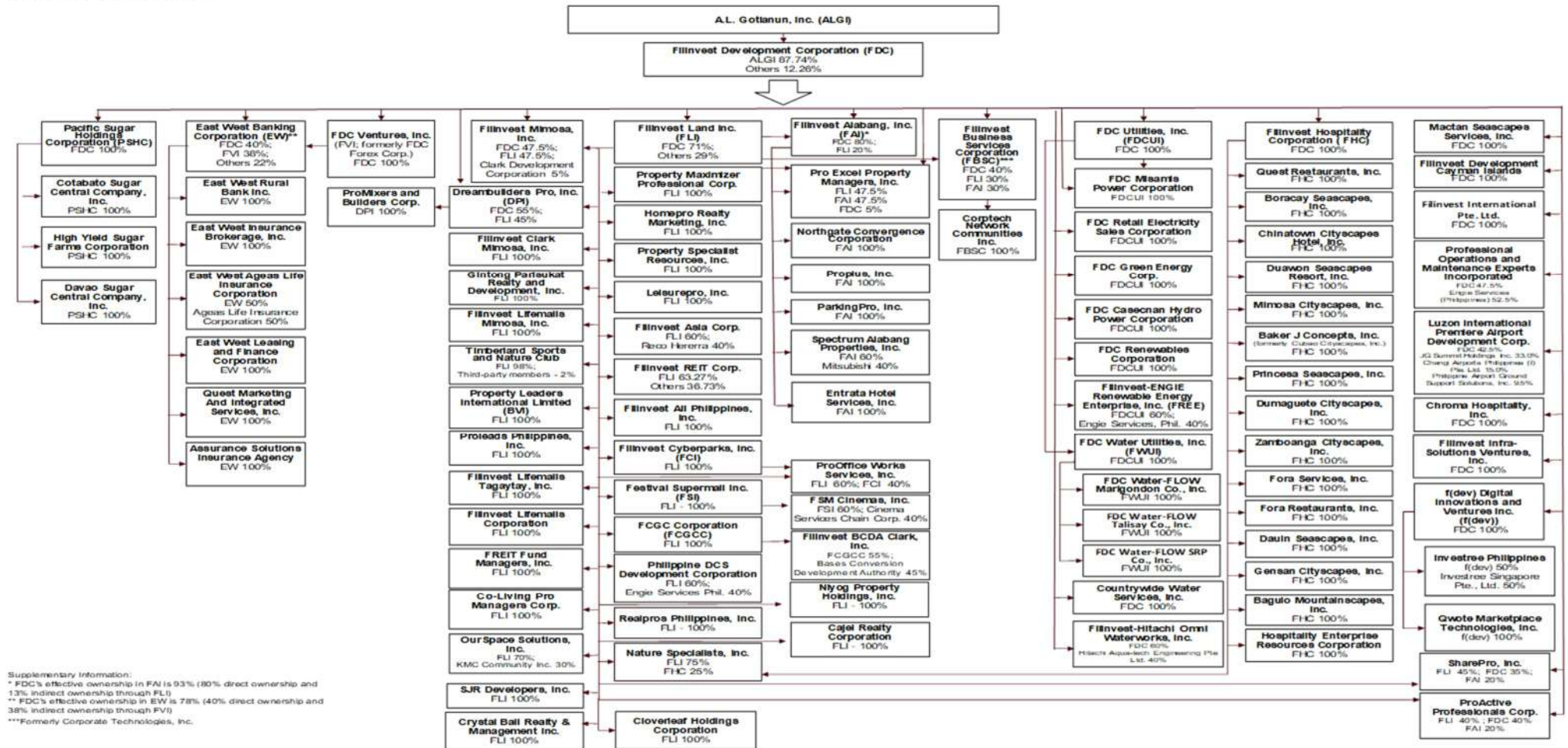
|                                                                                |  |                    |
|--------------------------------------------------------------------------------|--|--------------------|
| <b>Total Retained Earnings, end of reporting period available for dividend</b> |  | <b>₱26,033,684</b> |
|--------------------------------------------------------------------------------|--|--------------------|

## FILINVEST LAND, INC. AND SUBSIDIARIES

### MAP SHOWING THE RELATIONSHIPS BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT COMPANY AND CO-SUBSIDIARIES DECEMBER 31, 2025

A.L. GOTIANUN, INC.

MAP SHOWING THE RELATIONSHIP BETWEEN AND AMONG THE COMPANIES IN THE GROUP, ITS ULTIMATE PARENT, CO-SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES  
(As of December 31, 2025)



## SCHEDULE A

### FILINVEST LAND, INC. AND SUBSIDIARIES

#### SUPPLEMENTARY SCHEDULE OF FINANCIAL ASSETS

DECEMBER 31, 2025

Below is the detailed schedule of the Group's financial assets in equity securities as of December 31, 2025:

| Name of Issuing entity and association of each issue | Number of Shares | Amount Shown in the Statement of Financial Position | Value Based on Market Quotation at end of year | Income Received and Accrued |
|------------------------------------------------------|------------------|-----------------------------------------------------|------------------------------------------------|-----------------------------|
| (In Thousands Except Number of Shares)               |                  |                                                     |                                                |                             |
| <b>Financial assets at FVOCI</b>                     |                  |                                                     |                                                |                             |
| Quoted:                                              |                  |                                                     |                                                |                             |
| Philippine Long Distance Telephone Company           | 26,100           | ₱261                                                | ₱261                                           | ₱—                          |
| Manila Electric Company (MERALCO)                    | 1,153,694        | 6,197                                               | 6,197                                          | —                           |
|                                                      |                  | 6,458                                               | 6,458                                          | —                           |
| Unquoted:                                            |                  |                                                     |                                                |                             |
| The Palms Country Club, Inc.                         | 1,000            | ₱3,060                                              | ₱3,060                                         | ₱—                          |
| Cebu Country Club                                    | 1                | 6,017                                               | 6,017                                          | —                           |
|                                                      |                  | 9,077                                               | 9,077                                          | —                           |
|                                                      |                  | ₱15,535                                             | ₱15,535                                        | ₱—                          |

The Group's investment in MERALCO is an unlisted preferred shares acquired in connection with the infrastructure that it provides for the Group's real estate development projects. These are carried at cost less impairment, if any.

## **SCHEDULE B**

### **FILINVEST LAND, INC. AND SUBSIDIARIES**

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#### **SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES, AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES) DECEMBER 31, 2025**

As of December 31, 2025, there were no advances to employees of the Group with balances above ₱1.0 million.

All amounts receivable from related parties pertained to items arising in the ordinary course of business.



## SCHEDULE C

### FILINVEST LAND, INC. AND SUBSIDIARIES

#### SUPPLEMENTARY SCHEDULE OF AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS DECEMBER 31, 2025

Below is the schedule of receivables with related parties which are eliminated in the consolidated financial statements as of December 31, 2025 (amounts in thousands):

|                                                       |                        | Volume of Transactions | Receivable         |
|-------------------------------------------------------|------------------------|------------------------|--------------------|
| Filinvest Cyberzone Mimosa, Inc. (FCMI)               | Share in Expenses      | P726,283               | P4,659,292         |
| Filinvest Cyberparks, Inc. (FCI)                      | Share in expenses      | 87,761                 | 3,050,736          |
| Filinvest Lifemalls Tagaytay, Inc. (FLTI)             | Share in expenses      | 779                    | 1,647,436          |
| Homepro Realty Marketing, Inc. (Homepro)              | Share in expenses      | 17,300                 | 746,890            |
| FCGC Corporation (FCGCC)                              | Share in expenses      | 164,967                | 197,395            |
| Property Maximizer Professional Corp. (Promax)        | Marketing Fee Expenses | 54,006                 | 152,959            |
| Property Maximizer Professional Corp. (Promax)        | Share in Expenses      | (24,079)               | -                  |
| Nature Specialists, Inc. (NSI)                        | Share in expense       | 22,547                 | 132,550            |
| Filinvest REIT Corp (FILRT)                           | Share in expenses      | (39,172)               | 102,576            |
| Filinvest REIT Corp (FILRT)                           | Rent income            | (202)                  | -                  |
| Filinvest BCDA Clark, Inc. (FBCI)                     | Share in expenses      | 4,296                  | 99,198             |
| Filinvest AII Philippines, Inc. (FAPI)                | Share in expenses      | 63,803                 | 80,346             |
| SJR Developers                                        | Share in expenses      | 267                    | 45,690             |
| Festival Supermall, Inc. (FSI)                        | Share in expenses      | 30,822                 | 30,822             |
| Proleads Philippines, Inc. (PPI)                      | Share in expenses      | 62                     | 28,267             |
| Timberland Sports and Nature Club, Inc. (TSNC)        | Share in expenses      | 742                    | 20,653             |
| Realpros Philippines, Inc. (RPI)                      | Share in expenses      | (92)                   | 15,323             |
| Gintong Parisukat Realty and Development Inc. (GPRDI) | Share in expenses      | (15,095)               | 14,845             |
| Niyog Property Holdings Inc                           | Share in expenses      | 5,416                  | 11,109             |
| Property Specialist Resources, Inc. (Prosper)         | Share in expenses      | (655)                  | 7,652              |
| Leisurepro, Inc. (Leisurepro)                         | Share in expenses      | (45)                   | 6,787              |
| Cajel Realty Corporation                              | Share in Expenses      | 1,761                  | 2,465              |
| Filinvest Lifemalls Corporation (FLC)                 | Share in expenses      | (1,338)                | 1,056              |
| Co-Living Pro Managers Corp.                          | Share in expenses      | (11,453)               | 751                |
| Filinvest Lifemalls Mimosa, Inc. (FLMI)               | Share in expenses      | -                      | 214                |
| Property Leaders International Limited (PLIL)         | Share in expenses      | (178)                  | 111                |
| Philippine DCS Development Corporation (PDDC)         | Share in expenses      | (121)                  | 106                |
| ProOffice Works Services, Inc. (ProOffice)            | Share in expenses      | (278)                  | 41                 |
| FREIT Fund Managers, Inc. (FFMI)                      | Share in expenses      | (844)                  | 9                  |
| OurSpace Solutions, Inc.                              | Share in expenses      | (850)                  | 5                  |
| FSM Cinemas, Inc.                                     | Share in expenses      | (139)                  | 1                  |
| Filinvest Asia Corporation (FAC)                      | Share in expenses      | (340)                  | -                  |
|                                                       |                        | <b>P1,085,931</b>      | <b>P11,055,285</b> |

The table below shows the movement of the receivables from related parties:

|                                                       | Balance<br>Beginning<br>of Year | Additions         | Collections      | Balance<br>at End of<br>Year |
|-------------------------------------------------------|---------------------------------|-------------------|------------------|------------------------------|
| Filinvest Cyberzone Mimosa, Inc. (FCMI)               | ₱3,933,009                      | ₱726,283          | ₱—               | ₱4,659,292                   |
| Filinvest Cyberparks, Inc. (FCI)                      | 2,962,975                       | 101,458           | (13,697)         | 3,050,736                    |
| Filinvest Lifemalls Tagaytay, Inc. (FLTI)             | 1,646,657                       | 779               | —                | 1,647,436                    |
| Homepro Realty Marketing, Inc. (Homepro)              | 729,590                         | 17,300            | —                | 746,890                      |
| FCGC Corporation (FCGCC)                              | 32,428                          | 164,967           | —                | 197,395                      |
| Property Maximizer Professional Corp. (Promax)        | 123,032                         | 49,084            | (19,157)         | 152,959                      |
| Nature Specialists, Inc. (NSI)                        | 110,003                         | 22,547            | —                | 132,550                      |
| Filinvest REIT Corp (FILRT)                           | 141,950                         | (39,367)          | (7)              | 102,576                      |
| Filinvest BCDA Clark, Inc. (FBCI)                     | 94,902                          | 4,334             | (38)             | 99,198                       |
| Filinvest AII Philippines, Inc. (FAPI)                | 16,543                          | 63,803            | —                | 80,346                       |
| SJR Developers                                        | 45,423                          | 267               | —                | 45,690                       |
| Festival Supermall, Inc. (FSI)                        | —                               | 30,822            | —                | 30,822                       |
| Proleads Philippines, Inc. (PPI)                      | 28,205                          | 62                | —                | 28,267                       |
| Timberland Sports and Nature Club, Inc. (TSNC)        | 19,911                          | 742               | —                | 20,653                       |
| Realpros Philippines, Inc. (RPI)                      | 15,415                          | (46)              | (46)             | 15,323                       |
| Gintong Parisukat Realty and Development Inc. (GPRDI) | 29,940                          | (15,095)          | —                | 14,845                       |
| Niyog Property Holdings Inc                           | 5,693                           | 5,416             | —                | 11,109                       |
| Property Specialist Resources, Inc. (Prosper)         | 8,307                           | (608)             | (47)             | 7,652                        |
| Leisurepro, Inc. (Leisurepro)                         | 6,832                           | (45)              | —                | 6,787                        |
| Cajel Realty Corporation                              | 704                             | 1,761             | —                | 2,465                        |
| Filinvest Lifemalls Corporation (FLC)                 | 2,394                           | (292)             | (1,046)          | 1,056                        |
| Co-Living Pro Managers Corp. (CPMC)                   | 12,204                          | (109)             | (11,344)         | 751                          |
| Filinvest Lifemalls Mimosa, Inc. (FLMI)               | 214                             | —                 | —                | 214                          |
| Property Leaders International Limited (PLIL)         | 289                             | (178)             | —                | 111                          |
| Philippine DCS Development Corporation (PDDC)         | 227                             | (112)             | (9)              | 106                          |
| ProOffice Works Services, Inc. (ProOffice)            | 319                             | (278)             | —                | 41                           |
| FREIT Fund Managers, Inc. (FFMI)                      | 853                             | (394)             | (450)            | 9                            |
| OurSpace Solutions, Inc.                              | 855                             | (390)             | (460)            | 5                            |
| FSM Cinemas, Inc. (FSM Cinemas)                       | 140                             | (139)             | —                | 1                            |
| Filinvest Asia Corporation (FAC)                      | 340                             | (340)             | —                | —                            |
|                                                       | <b>₱9,969,354</b>               | <b>₱1,132,232</b> | <b>(₱46,301)</b> | <b>₱11,055,285</b>           |

The intercompany transactions between FLI and the subsidiaries pertain to share in common expenses, rental charges, marketing fee and management fee. There were no amounts written off during the year and all amounts are expected to be settled within the year.

## SCHEDULE D

### FILINVEST LAND, INC. AND SUBSIDIARIES

#### SUPPLEMENTARY SCHEDULE OF LONG-TERM DEBT

DECEMBER 31, 2025

Below is the schedule of long-term debt of the Group:

| Title of Issue & Type of Obligation | Amount Authorized by Indenture/Facility Agreement | Current Portion of Long-term Debt (In Thousands) | Long-term Debt (net of Current Portion) (In Thousands) | Interest Rate                  | No. of Periodic Installment | Maturity Date             |
|-------------------------------------|---------------------------------------------------|--------------------------------------------------|--------------------------------------------------------|--------------------------------|-----------------------------|---------------------------|
| <b>Filinvest Land Inc.</b>          |                                                   |                                                  |                                                        |                                |                             |                           |
| <b>Bonds</b>                        |                                                   |                                                  |                                                        |                                |                             |                           |
| Philippine Peso                     | ₱1,764,600                                        | ₱1,752,262                                       | ₱–                                                     | 4.1800%                        | N/A, Bullet                 | May 18, 2026              |
| Philippine Peso                     | 11,430,800                                        | –                                                | 11,363,759                                             | 6.9829%                        | N/A, Bullet                 | June 1, 2027              |
| Philippine Peso                     | 2,975,000                                         | –                                                | 2,958,434                                              | 6.4100%                        | N/A, Bullet                 | June 23, 2027             |
| Philippine Peso                     | 5,000,000                                         | –                                                | 4,970,300                                              | 5.2600%                        | N/A, Bullet                 | December 21, 2027         |
| Philippine Peso                     | 2,553,200                                         | –                                                | 2,524,509                                              | 6.8312%                        | N/A, Bullet                 | March 12, 2035            |
| Philippine Peso                     | 2,661,260                                         | –                                                | 2,632,418                                              | 6.6550%                        | N/A, Bullet                 | March 12, 2032            |
| Philippine Peso                     | 6,785,540                                         | –                                                | 6,715,647                                              | 6.2916%                        | N/A, Bullet                 | March 12, 2030            |
| <b>Bank Loan- Peso</b>              |                                                   |                                                  |                                                        |                                |                             |                           |
| Local Bank                          | 8,805,000                                         | 2,989,544                                        | 5,778,972                                              | Various fixed / floating rates | Various                     | Various from 2026 to 2031 |
| Local Bank                          | 9,911,000                                         | 3,223,521                                        | 6,629,076                                              | Various fixed rates            | Various                     | Various from 2026 to 2031 |
| Local Bank                          | 3,000,000                                         | –                                                | 2,981,881                                              | Various fixed / floating rates | Various                     | Various within 2031       |
| Local Bank                          | 2,000,000                                         | 1,984,851                                        | –                                                      | Various fixed rates            | Various                     | September 27, 2026        |
| Local Bank                          | 5,500,000                                         | 496,124                                          | 4,982,707                                              | Various fixed / floating rates | Various                     | Various from 2026 to 2029 |
| Local Bank                          | 6,700,000                                         | 2,876,445                                        | 3,795,703                                              | Various fixed / floating rates | Various                     | Various from 202 to 2029  |
| Local Bank                          | 5,495,833                                         | 2,917,642                                        | 2,544,074                                              | Various fixed / floating rates | Various                     | Various from 2026 to 2028 |
| Local Bank                          | 700,000                                           | 199,084                                          | 496,277                                                | Various fixed / floating rates | Various                     | Various from 2026 to 2032 |
| Sub-total                           | 75,282,233                                        | 16,439,473                                       | 58,373,757                                             |                                |                             |                           |

| <b>Title of Issue &amp; Type of Obligation</b> | <b>Amount Authorized by Indenture/Facility Agreement</b> | <b>Current Portion of Long-term Debt (In Thousands)</b> | <b>Long-term Debt (net of Current Portion) (In Thousands)</b> | <b>Interest Rate</b>           | <b>No. of Periodic Installment</b> | <b>Maturity Date</b>      |
|------------------------------------------------|----------------------------------------------------------|---------------------------------------------------------|---------------------------------------------------------------|--------------------------------|------------------------------------|---------------------------|
| <b>Subsidiaries</b>                            |                                                          |                                                         |                                                               |                                |                                    |                           |
| <b>Bank Loan- Peso</b>                         |                                                          |                                                         |                                                               |                                |                                    |                           |
| Local Bank                                     | ₱4,201,682                                               | ₱894,726                                                | ₱3,283,574                                                    | Various fixed / floating rates | Various                            | Various from 2026 to 2031 |
| Local Bank                                     | 3,000,000                                                | —                                                       | 2,982,037                                                     | Various fixed rates            | Various                            | December 27, 2029         |
| Local Bank                                     | 785,200                                                  | 23,930                                                  | 757,313                                                       | Various fixed / floating rates | Various                            | Various from 2026 to 2029 |
|                                                | ₱83,269,115                                              | ₱17,358,129                                             | ₱65,396,681                                                   |                                |                                    |                           |

Each loan balance is presented net of unamortized deferred costs. The agreements covering the abovementioned loans require maintaining certain financial ratios including debt-to-equity ratio ranging from 2.0x to 3.0x and minimum interest coverage ratio of 1.0x. These Peso-denominated loans bear floating interest rates, which are repriced quarterly, semi-annually or annually based on either 3-month or 1-year Bloomberg Valuation (BVAL), or Reverse Repurchase Rate (RRP), plus margin, per annum.

Each bond balance is presented net of unamortized deferred costs. The agreements covering the abovementioned bonds require maintaining certain financial ratios including maximum debt-to-equity ratio ranging from 2.0x to 2.5x ; minimum current ratio ranging from 1.0x to 2.0x; and minimum debt service coverage ratio (DSCR) of 1.0x (except for FILRT bonds which requires maximum debt-to-equity ratio of 2.33x and DSCR of 1.1x).

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock; sale or transfer and disposal of all or a substantial part of its capital assets; restrictions on use of funds; and entering into any partnership, merger, consolidation or reorganization.

The Group has complied with these contractual agreements. There was neither default nor breach noted for the year ended December 31, 2025.

## **SCHEDULE E**

### **FILINVEST LAND, INC. AND SUBSIDIARIES**

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### **SUPPLEMENTARY SCHEDULE OF INDEBTEDNESS TO RELATED PARTIES**

#### **DECEMBER 31, 2025**

This schedule is not applicable as there are no non-current indebtedness which exceed 5% of total assets as of December 31, 2025.

## **SCHEDULE F**

### **FILINVEST LAND, INC. AND SUBSIDIARIES**

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### **SUPPLEMENTARY SCHEDULE OF GUARANTEES OF SECURITIES OF OTHER ISSUERS**

**DECEMBER 31, 2025**

The Group does not have guarantees of securities of other issuers as of December 31, 2025.

## SCHEDULE G

### FILINVEST LAND, INC. AND SUBSIDIARIES

#### SUPPLEMENTARY SCHEDULE OF CAPITAL STOCK

DECEMBER 31, 2025

| Title of<br>issue   | Number of<br>shares<br>authorized | As shown under related<br>Statement of Financial<br>Position caption |                                 | Number of<br>shares reserved<br>for options,<br>warrants,<br>conversion and<br>other rights | Number of<br>shares held<br>by related<br>parties | Directors,<br>Officers<br>and<br>Employees | Others    |
|---------------------|-----------------------------------|----------------------------------------------------------------------|---------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------|-----------|
|                     |                                   | Number of<br>shares<br>issued and<br>subscribed                      | Number of<br>Treasury<br>Shares |                                                                                             |                                                   |                                            |           |
|                     |                                   | (In Thousands)                                                       |                                 |                                                                                             |                                                   |                                            |           |
| Common<br>Shares    | 33,000,000                        | 24,470,708                                                           | 2,086,949                       | —                                                                                           | 16,407,414                                        | 58,687                                     | 5,917,658 |
| Preferred<br>Shares | 8,000,000                         | 8,000,000                                                            | —                               | —                                                                                           | 8,000,000                                         | —                                          | —         |

**SUPPLEMENTARY SCHEDULE OF BOND ISSUANCES - SECURITIES OFFERED TO THE PUBLIC**  
**DECEMBER 31, 2025**

[illegible]



**FILINVEST LAND, INC. AND SUBSIDIARIES**  
**SUPPLEMENTARY SCHEDULE OF EXTERNAL AUDITOR**  
**FEE-RELATED INFORMATION**  
**DECEMBER 31, 2025**

|                                       | 2025              | 2024              |
|---------------------------------------|-------------------|-------------------|
| <b>Total Audit Fees</b>               | <b>₱5,299,944</b> | <b>₱4,883,078</b> |
| Non-audit services fees:              |                   |                   |
| Other assurance services              | <b>3,502,878</b>  | 2,356,798         |
| Tax services                          | —                 | —                 |
| All other services                    | —                 | —                 |
| <b>Total Non-audit Fees</b>           | <b>3,502,878</b>  | <b>2,356,798</b>  |
| <b>Total Audit and Non-audit Fees</b> | <b>₱8,802,822</b> | <b>₱7,239,876</b> |

## **INDEPENDENT AUDITOR'S REPORT ON COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS**

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

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of Filinvest Land, Inc. (the Parent Company) and its subsidiaries (collectively referred to as "the Group") as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated February 16, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS) Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised Securities Regulation Code Rule 68 issued by the Securities and Exchange Commission, and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

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

SEC Partner Accreditation No. 118546-SEC (Group A)

Valid to cover audit of 2019 to 2023 financial statements,

with extension up to audit of 2025 financial statements

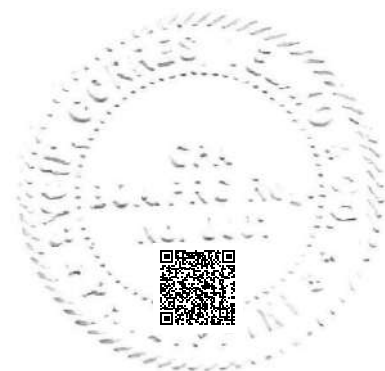
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-137-2026, January 23, 2026, valid until January 22, 2029

PTR No. 10765124, January 2, 2026, Makati City

February 16, 2026



# FILINVEST LAND, INC. AND SUBSIDIARIES

## COMPONENTS OF FINANCIAL SOUNDNESS INDICATORS

DECEMBER 31, 2025

(Amounts in Thousands of Pesos)

| Ratio                                 | Formula                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 2025 | 2024 |
|---------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|------|
| Current Ratio <sup>(1)</sup>          | Total Current Assets divided by Total Current Liabilities<br><br><div> <div>Total Current Assets97,643,018</div> <div>Divide by: Total Current Liabilities29,621,975</div> <div>Current Ratio3.30</div> </div>                                                                                                                                                                                                                                                              | 3.30 | 2.78 |
| Interest-bearing Debt-to-Equity ratio | Interest-bearing Debt ( <i>Sum of Consolidated Loans Payable and Consolidated Bonds Payable</i> ) divided by Total Equity<br><br><div> <div>Interest-bearing Debt82,754,810</div> <div>Divide by: Equity96,348,585</div> <div>Long-term Debt-to-Equity Ratio0.86</div> </div>                                                                                                                                                                                               | 0.86 | 0.83 |
| Debt Ratio                            | Total Liabilities divided by Total Assets<br><br><div> <div>Total Liabilities117,831,707</div> <div>Divide by: Total Assets214,180,292</div> <div>Debt Ratio0.55</div> </div>                                                                                                                                                                                                                                                                                               | 0.55 | 0.55 |
| EBITDA to Total Interest Paid         | Earnings before Interests and Other Charges, Income Tax, Depreciation and Amortization - EBITDA ( <i>net income plus interest and other finance charges (including interest expense on financial liability on lease contract), provision for income tax, depreciation and amortization</i> ) divided by Total Interest Paid<br><br><div> <div>EBITDA11,845,935</div> <div>Divide by: Total Interest Paid6,111,517</div> <div>EBITDA to Total Interest Paid1.94</div> </div> | 1.94 | 2.16 |
| Price Earnings Ratio                  | Closing price divided by Earnings per share<br><br><div> <div>Closing price <sup>(2)</sup>0.77</div> <div>Divide by: Earnings per share0.19</div> <div>Price Earnings Ratio4.05</div> </div>                                                                                                                                                                                                                                                                                | 4.05 | 4.29 |
| Quick Asset Ratio                     | Quick Assets ( <i>total current assets less real estate inventories</i> ) divided by Current Liabilities<br><br><div> <div>Total Current Assets97,643,018</div> <div>Less: Inventories74,020,754</div> <div>Quick Assets23,622,264</div> <div>Divide by: Total Current Liabilities29,621,975</div> <div>Quick Asset Ratio0.80</div> </div>                                                                                                                                  | 0.80 | 0.71 |
| (Forward)                             |                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |      |      |

| Ratio                   | Formula                                                                                                                               | 2025        | 2024 |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------|-------------|------|
| Solvency Ratio          | Net Income before Depreciation and Amortization ( <i>net income plus depreciation and amortization</i> ) divided by Total Liabilities | <b>0.06</b> | 0.06 |
|                         | Net Income 4,807,833                                                                                                                  |             |      |
|                         | Add: Depreciation and Amortization 2,081,421                                                                                          |             |      |
|                         | Net Income before Depreciation and Amortization 6,889,254                                                                             |             |      |
|                         | Divide by: Total Liabilities 117,831,707                                                                                              |             |      |
|                         | Solvency Ratio 0.06                                                                                                                   |             |      |
| Interest Coverage Ratio | Earnings before Interest and Other Finance Charges and Income Tax (EBIT) divided by Interest and Other Finance Charges                | <b>2.39</b> | 2.53 |
|                         | EBIT 9,764,514                                                                                                                        |             |      |
|                         | Divide by: Interest and Other Finance Charges 4,077,585                                                                               |             |      |
|                         | Interest Coverage Ratio 2.39                                                                                                          |             |      |
| Net Profit Margin       | Net Income divided by Revenue                                                                                                         | <b>0.19</b> | 0.19 |
|                         | Net Income 4,807,833                                                                                                                  |             |      |
|                         | Divide by: Revenue 25,898,351                                                                                                         |             |      |
|                         | Net Profit Margin 0.19                                                                                                                |             |      |
| Return on Equity        | Net Income divided by Total Equity                                                                                                    | <b>0.05</b> | 0.05 |
|                         | Net Income 4,807,833                                                                                                                  |             |      |
|                         | Divide by: Total Equity 96,348,585                                                                                                    |             |      |
|                         | Return on Equity 0.05                                                                                                                 |             |      |
| Asset-to-Equity Ratio   | Total Assets divided by Total Equity                                                                                                  | <b>2.22</b> | 2.22 |
|                         | Total Assets 214,180,292                                                                                                              |             |      |
|                         | Divide by: Total Equity 96,348,585                                                                                                    |             |      |
|                         | Return on Equity 2.22                                                                                                                 |             |      |

<sup>(1)</sup> In computing for the Group's current ratio, current assets include cash and cash equivalents, contracts receivables, contract assets, other receivables, real estate inventories and other current assets and current liabilities include accounts payable and accrued expenses, due to related parties, income tax payable and current portion of loans payable. Determination of current accounts is based on their maturity profile of relevant assets and liabilities.

<sup>(2)</sup> Closing price at December 31, 2025 and December 31, 2024 is ₱0.77 and ₱0.73, respectively.



Filinvest Land Inc. &lt;fli.taxteam@gmail.com&gt;

---

**Your BIR AFS eSubmission uploads were received**

1 message

**eafs@bir.gov.ph** <eafs@bir.gov.ph>

Fri, Mar 13, 2026 at 9:58 AM

To: fli.taxteam@gmail.com

Cc: fli.taxteam@gmail.com

Hi FILINVEST LAND, INC,

**Valid files**

- EAFS000533224RPTTY122025.pdf
- EAFS000533224ITRTY122025.pdf
- EAFS000533224AFSTY122025.pdf
- EAFS000533224TCRTY122025-01.pdf

**Invalid file**

- <None>

Transaction Code: **AFS-0-32SMQR2W07AHA9AECMWXPPM120NYV3RQY4**Submission Date/Time: **Mar 13, 2026 09:58 AM**Company TIN: **000-533-224**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

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**[EXT] eSubmission Validation Report**

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**From** eSubmission <esubmission@bir.gov.ph>  
**Date** Fri 2026-03-13 8:22 AM  
**To** FLI Tax Team <taxteam@filinvestland.com>

**CAUTION:** This is an EXTERNAL email. Exercise caution. DO NOT open attachments or click links from unknown senders or unexpected email.

ACKNOWLEDGEMENT RECEIPT NUMBER: 20260313-P125793

This is to confirm receipt of the file(s) as stated below:

Total attachment/file(s) received : 1

No. of valid file(s) : 1

No. of invalid file(s) : 0

We have validated your submission in compliance with existing BIR regulations.

Find below the details of your submission:

Date of Submission: 03/13/2026 3:58:29 AM

Filename(s):

1. Attachment : 00053322400001220251702.ZIP

A. 00053322400001220251702.DAT - VALID

CONFIRMATION RECEIPT NUMBER - 2026-0000222164

**VALIDATION REPORT:**

1. Attachment : 00053322400001220251702.ZIP

A. Attachment (zipped): 00053322400001220251702.DAT

TIN of Withholding Agent TIN: 000533224-0000

Alphalist Form : 1702

Taxable Month : 12/2025

| LINE NUM | SCHEDULE | ERROR DESCRIPTION |
|----------|----------|-------------------|
|----------|----------|-------------------|

|            |  |                       |
|------------|--|-----------------------|
| 0000000000 |  | No Errors Encountered |
|------------|--|-----------------------|

PLEASE BE INFORMED THAT THIS IS THE FINAL EMAIL ON THE VALIDATION PROCESS OF YOUR SUBMISSION. HOWEVER, A VALIDATION OF THE TIN OF THE WITHHOLDING AGENT WILL STILL BE UNDERTAKEN. ACCORDINGLY, PLEASE ENSURE THAT THE TIN IS VALID FOR A SUCCESSFUL SUBMISSION OF YOUR ALPHALIST (OR SLSP, AS THE CASE MAY BE).

Thank You.

This is a system generated report. For inquiries, please email us at [contact\\_us@bir.gov.ph](mailto:contact_us@bir.gov.ph) or call us at (2) 8538-3200

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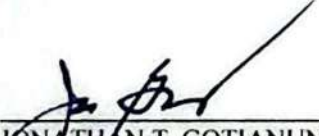
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**“STATEMENT OF MANAGEMENT’S RESPONSIBILITY  
FOR ANNUAL INCOME TAX RETURN”**

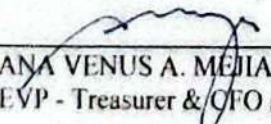
The Management of **FILINVEST LAND, INC.** is responsible for all information and representations contained in the Annual Income Tax Return for the year ended **December 31, 2025**. Management is likewise responsible for all information and representations contained in the financial statements accompanying the Annual Income Tax Return covering the same reporting period. Furthermore, the Management is responsible for all information and representations contained in all the other tax returns filed for the reporting period, including, but not limited, to the value added tax and/or percentage tax returns, withholding tax returns, documentary stamp tax returns, and any and all other tax returns.

In this regard, the Management affirms that the attached audited financial statements for the year ended **December 31, 2025** and the accompanying Annual Income Tax Return are in accordance with the books and records of **FILINVEST LAND, INC.**, complete and correct in all material respects. Management likewise affirms that:

- (a) the Annual Income Tax Return has been prepared in accordance with the provisions of the National Internal Revenue Code, as amended, and pertinent tax regulations and other issuances of the Department of Finance and the Bureau of Internal Revenue;
- (b) any disparity of figures in the submitted reports arising from the preparation of financial statements pursuant to financial accounting standards and the preparation of the income tax return pursuant to tax accounting rules has been reported as reconciling items and maintained in the company’s books and records in accordance with the requirements of Revenue Regulations No. 8-2007 and other relevant issuances;
- (c) the **FILINVEST LAND, INC.** has filed all applicable tax returns, reports and statements required to be filed under Philippine tax laws for the reporting period, and all taxes and other impositions shown thereon to be due and payable have been paid for the reporting period, except those contested in good faith.

  
\_\_\_\_\_  
**JONATHAN T. GOTIANUN**  
Chairman of the Board

  
\_\_\_\_\_  
**TRISTANEIL D. LAS MARIAS**  
President/CEO

  
\_\_\_\_\_  
**ANA VENUS A. MEJIA**  
EVP - Treasurer & CFO and COO

Signed this \_\_\_\_ day of \_\_\_\_\_, 2026

Doc. No. 212  
Page No. 44  
Book No. V  
Series of 2025

**FEB 16 2026**  
SUBSCRIBED AND SWORN to before me this \_\_\_\_ day \_\_\_\_ of \_\_\_\_  
at **Makati City**, affiant exhibited to ID No. \_\_\_\_\_  
  
\_\_\_\_\_  
**ATTY. GERVACIO B. ORTIZ JR.**  
Notary Public City of Makati  
Until December 31, 2026  
IBP No. 05729-Lifetime Member  
MCLE Compliance No. VIII-0040999  
valid until April 14, 2028  
Appointment No. M-007 (2025-2026)  
PTR No. 10765528 Jan. 3, 2026/ Makati  
Makati City Roll No. 40091  
101 Urban Ave. Campos Rueda Bldg.  
Brgy. Pio Del Pilar, Makati City





Bureau of Internal Revenue

Republic of the Philippines

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REPUBLIC OF THE PHILIPPINES  
DEPARTMENT OF FINANCE  
BUREAU OF INTERNAL REVENUE

FILING REFERENCE NO.

|                                     |                      |
|-------------------------------------|----------------------|
| TIN                                 | : 000-533-224-000    |
| Name                                | : FILINVEST LAND INC |
| RDO                                 | : 126                |
| Form Type                           | : 1702_MX_2018       |
| Reference No.                       | : 662600071570313    |
| Amount Payable<br>(Over Remittance) | : -414,991,338.00    |
| Accounting Type                     | : C - Calendar       |
| For Tax Period                      | : 12/31/2025         |
| Date Filed                          | : 03/13/2026         |
| Tax Type                            | : IT                 |

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Republic of the Philippines  
Department of Finance  
Bureau of Internal Revenue

For BIR Use Only      BCS/Item:

|                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| BIR Form No.<br><b>1702-MX</b><br>January 2018 (ENCS)<br>Page 1                                                                                                                                                                                                                                                                                                                                                                   |  | <b>Annual Income Tax Return</b><br>Corporation, Partnership and Other Non-Individual<br>with MIXED Income Subject to Multiple Income Tax Rates or<br>with Income Subject to SPECIAL/PREFERENTIAL RATE<br><small>Enter all required information in CAPITAL LETTERS using BLACK ink. Mark applicable boxes with an "X".<br/>Two copies MUST be filed with the BIR and one held by the taxpayer.</small> |                                                              |                                                                                         | <br>1702-MX 01/18ENCS P1                                                                    |                                                                                                                                                                                          |     |
| 1 For <input checked="" type="radio"/> Calendar <input type="radio"/> Fiscal<br>2Year Ended (MM/20YY)<br>12    2025                                                                                                                                                                                                                                                                                                               |  | 3 Amended Return?<br><input type="radio"/> Yes <input checked="" type="radio"/> No                                                                                                                                                                                                                                                                                                                    |                                                              | 4 Short Period Return?<br><input type="radio"/> Yes <input checked="" type="radio"/> No |                                                                                             | 5 Alphanumeric Tax Code (ATC)<br>IC055    Minimum Corporate Income Tax (M) <input checked="" type="checkbox"/><br>IC010    DOMESTIC CORPORATION IN G <input checked="" type="checkbox"/> |     |
| <b>Part I - Background Information</b>                                                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| 6Taxpayer Identification Number (TIN)    000 - 533 - 224 - 000    7RDO Code    126                                                                                                                                                                                                                                                                                                                                                |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| 8Registered Name (Enter only 1 letter per box using CAPITAL LETTERS)<br>FILINVEST LAND INC                                                                                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| 9Registered Address (Indicate complete address. If the registered address is different from the current address, go to the RDO to update registered address by using BIR Form No. 1905)<br>79 E DELOS SANTOS AVENUE, BARANGAY HIGHWAY HILLS, MANDALUYONG CITY                                                                                                                                                                     |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
|                                                                                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             | 9AZip Code<br>1550                                                                                                                                                                       |     |
| 10Date of Incorporation/Organization (MM/DD/YYYY)<br>11/24/1989                                                                                                                                                                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             | 11Contact Number<br>7256321                                                                                                                                                              |     |
| 12Email Address    taxteam@filinvestland.com                                                                                                                                                                                                                                                                                                                                                                                      |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| 13Method of Deduction <input checked="" type="radio"/> Itemized Deduction [Section 34 (A-J), NIRC] <input type="radio"/> Optional Standard Deduction (OSD)–40% of Gross Income [Section 34(L) NIRC, as amended]                                                                                                                                                                                                                   |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| <b>Part II - Total Tax Payable</b> (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)                                                                                                                                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| 14 Total Tax Due/(Overpayment) (From Part IV-Schedule 2 Item 19D)                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         | 1,808,723,456                                                                               |                                                                                                                                                                                          |     |
| 15 Less: Total Tax Credits/Payments (From Part IV-Schedule 3 Item 32D)                                                                                                                                                                                                                                                                                                                                                            |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         | 2,223,714,794                                                                               |                                                                                                                                                                                          |     |
| 16 Net Tax Payable / (Overpayment) (Item 14 Less Item 15) (From Part IV Item 33D)                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         | (414,991,338)                                                                               |                                                                                                                                                                                          |     |
| Add: Penalties                                                                                                                                                                                                                                                                                                                                                                                                                    |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| 17 Surcharge                                                                                                                                                                                                                                                                                                                                                                                                                      |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         | 0                                                                                           |                                                                                                                                                                                          |     |
| 18 Interest                                                                                                                                                                                                                                                                                                                                                                                                                       |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         | 0                                                                                           |                                                                                                                                                                                          |     |
| 19 Compromise                                                                                                                                                                                                                                                                                                                                                                                                                     |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         | 0                                                                                           |                                                                                                                                                                                          |     |
| 20 Total Penalties (Sum of Items 17 to 19)                                                                                                                                                                                                                                                                                                                                                                                        |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         | 0                                                                                           |                                                                                                                                                                                          |     |
| 21 TOTAL AMOUNT PAYABLE / (Overpayment) (Sum of Items 16 and 20)                                                                                                                                                                                                                                                                                                                                                                  |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         | (414,991,338)                                                                               |                                                                                                                                                                                          |     |
| If Overpayment, mark (1) one box only (Once the choice is made, the same is irrevocable)<br><input type="radio"/> To be refunded <input type="radio"/> To be issued a Tax Credit Certificate (TCC) <input type="radio"/> To be carried over as a tax credit for next year/quarter                                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| We declare under the penalties of perjury that this return, and all its attachments, have been made in good faith, verified by us, and to the best of our knowledge and belief, are true and correct, pursuant to the provisions of the National Internal Revenue Code, as amended, and the regulations issued under authority thereof. (If signed by an Authorized Representative, indicate TIN and attach authorization letter) |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             | 22 Number of attachments<br>0                                                                                                                                                            |     |
| Signature over printed name of President/Principal Officer/Authorized Representative                                                                                                                                                                                                                                                                                                                                              |  |                                                                                                                                                                                                                                                                                                                                                                                                       | Signature over printed name of Treasurer/Assistant Treasurer |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| Title of Signatory                                                                                                                                                                                                                                                                                                                                                                                                                |  | TIN                                                                                                                                                                                                                                                                                                                                                                                                   |                                                              | Title of Signatory                                                                      |                                                                                             |                                                                                                                                                                                          | TIN |
| <b>Part III - Details of Payment</b>                                                                                                                                                                                                                                                                                                                                                                                              |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| Details of Payment                                                                                                                                                                                                                                                                                                                                                                                                                |  | Drawee Bank/Agency                                                                                                                                                                                                                                                                                                                                                                                    | Number                                                       | Date (MM/DD/YYYY)                                                                       | Amount                                                                                      |                                                                                                                                                                                          |     |
| 23 Cash/Bank Debit Memo                                                                                                                                                                                                                                                                                                                                                                                                           |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| 24 Check                                                                                                                                                                                                                                                                                                                                                                                                                          |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| 25 Tax Debit Memo                                                                                                                                                                                                                                                                                                                                                                                                                 |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| 26 Others (Specify Below)                                                                                                                                                                                                                                                                                                                                                                                                         |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         |                                                                                             |                                                                                                                                                                                          |     |
| Machine Validation/Revenue Official Receipt Details (if not filed with an Authorized Agent Bank)                                                                                                                                                                                                                                                                                                                                  |  |                                                                                                                                                                                                                                                                                                                                                                                                       |                                                              |                                                                                         | Stamp of Receiving Office/AAB and Date of Receipt<br>(RO's Signature/Bank Teller's Initial) |                                                                                                                                                                                          |     |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                 |                                                                                                                                                                                                              |                  |                                                                                                                        |                                                      |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|
| <div>BIR Form No.<br/><b>1702-MX</b><br/>January 2018 (ENCS)<br/>Page 2</div>                                                                                                                                                                                                                                                                                                                                                                                    |                 | <div>Annual Income Tax Return<br/>Corporation, Partnership and Other Non-Individual<br/>with MIXED Income Subject to Multiple Income Tax Rates or<br/>with Income Subject to SPECIAL/PREFERENTIAL RATE</div> |                  | <div><br/>1702-MX 01/18ENCS P2</div> |                                                      |
| Taxpayer Identification Number (TIN)                                                                                                                                                                                                                                                                                                                                                                                                                             |                 |                                                                                                                                                                                                              |                  | Registered Name                                                                                                        |                                                      |
| 000 - 533 - 224 - 000                                                                                                                                                                                                                                                                                                                                                                                                                                            |                 |                                                                                                                                                                                                              |                  | FILINVEST LAND INC                                                                                                     |                                                      |
| Part IV - Schedules                                                                                                                                                                                                                                                                                                                                                                                                                                              |                 |                                                                                                                                                                                                              |                  |                                                                                                                        |                                                      |
| <div>Instructions: <input checked="" type="checkbox"/> A. Only one activity/project under EXEMPT and/or SPECIAL Tax Regimes, fill-out the applicable columns below.<br/>(mark appropriate box) <input type="checkbox"/> B. Two or more activities/projects under EXEMPT and/or SPECIAL Tax Regimes, accomplish Part V-Mandatory <u>Mandatory</u> Attachments per activity and reflect consolidated amounts from Part V on the corresponding columns below.</div> |                 |                                                                                                                                                                                                              |                  |                                                                                                                        |                                                      |
| Schedule 1 - Basis of Tax Relief                                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |                                                                                                                                                                                                              |                  |                                                                                                                        |                                                      |
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | A. Exempt       |                                                                                                                                                                                                              | B. Special Rate  |                                                                                                                        | C. Special Tax Relief<br>(Under Regular/Normal Rate) |
| 1 Investment Promotion Agency (IPA)/<br>Implementing Government Agency                                                                                                                                                                                                                                                                                                                                                                                           | SOCIALIZED      |                                                                                                                                                                                                              | PEZA             |                                                                                                                        |                                                      |
| 2 Legal Basis                                                                                                                                                                                                                                                                                                                                                                                                                                                    | RA 7279         |                                                                                                                                                                                                              | RA 7916          |                                                                                                                        |                                                      |
| 3 Registered Activity/Program (Reg. No.)                                                                                                                                                                                                                                                                                                                                                                                                                         | NA              |                                                                                                                                                                                                              | NA               |                                                                                                                        |                                                      |
| 4 Special Tax Rate                                                                                                                                                                                                                                                                                                                                                                                                                                               |                 |                                                                                                                                                                                                              | 5 . 0            |                                                                                                                        |                                                      |
| 5 Effectivity Date of Tax Relief/Exemption<br>FROM (MM/DD/YYYY)                                                                                                                                                                                                                                                                                                                                                                                                  | 01/01/2025      |                                                                                                                                                                                                              | 01/01/2025       |                                                                                                                        |                                                      |
| 6 Expiration Date of Tax Relief/Exemption<br>TO (MM/DD/YYYY)                                                                                                                                                                                                                                                                                                                                                                                                     | 12/31/2025      |                                                                                                                                                                                                              | 12/31/2025       |                                                                                                                        |                                                      |
| Schedule 2 - Computation of Income Tax per Tax Regime (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)                                                                                                                                                                                                                                                                                                                                |                 |                                                                                                                                                                                                              |                  |                                                                                                                        |                                                      |
| Description                                                                                                                                                                                                                                                                                                                                                                                                                                                      | A. Total Exempt | B. Total Special                                                                                                                                                                                             | C. Total Regular | D. Total All Columns                                                                                                   |                                                      |
| 1 Sales/Receipt/Revenues/Fees<br>(From all of Part V-Sched B Item 1, if letter B of instructions<br>above is marked)                                                                                                                                                                                                                                                                                                                                             | 453,578,294     | 0                                                                                                                                                                                                            | 22,760,123,169   | 23,213,701,463                                                                                                         |                                                      |
| 2 Less: Sales Returns, Allowances & Discounts<br>(From all of Part V-Sched B Item 2, if letter B of instructions<br>above is marked)                                                                                                                                                                                                                                                                                                                             | 295,483         | 0                                                                                                                                                                                                            | 811,927,566      | 812,223,049                                                                                                            |                                                      |
| 3 Net Sales/Revenues/Receipts/Fees (Item 1 Less Item<br>2)                                                                                                                                                                                                                                                                                                                                                                                                       | 453,282,811     | 0                                                                                                                                                                                                            | 21,948,195,603   | 22,401,478,414                                                                                                         |                                                      |
| 4 Less: Cost of Sales/Services<br>(From all of Part V-Sched B Item 4, if letter B of instructions<br>above is marked)                                                                                                                                                                                                                                                                                                                                            | 244,637,476     | 0                                                                                                                                                                                                            | 5,592,040,281    | 5,836,677,757                                                                                                          |                                                      |
| 5 Gross Income from Operation (Item 3 Less Item 4)                                                                                                                                                                                                                                                                                                                                                                                                               | 208,645,335     | 0                                                                                                                                                                                                            | 16,356,155,322   | 16,564,800,657                                                                                                         |                                                      |
| 6 Add: Other Taxable Income not Subjected to Final<br>Tax<br>(From all of Part V-Sched B Item 6, if letter B of instructions<br>above is marked)                                                                                                                                                                                                                                                                                                                 | 0               | 0                                                                                                                                                                                                            | 1,327,835,510    | 1,327,835,510                                                                                                          |                                                      |
| 7 Total Taxable Income (Sum of Items 5 and 6)                                                                                                                                                                                                                                                                                                                                                                                                                    | 208,645,335     | 0                                                                                                                                                                                                            | 17,683,990,832   | 17,892,636,167                                                                                                         |                                                      |
| 8 Ordinary Allowable Itemized Deductions<br>(From Sched 5 Item 18) &/or<br>(From all of Part V-Sched B Item 8, if letter B of instructions<br>above is marked)                                                                                                                                                                                                                                                                                                   | 122,649,422     | 0                                                                                                                                                                                                            | 9,516,234,912    | 9,638,884,334                                                                                                          |                                                      |
| 9 Special Allowable Itemized Deductions<br>(From Sched 6 Item 5) &/or<br>(From all of Part V-Sched B Item 9, if letter B of instructions<br>above is marked)                                                                                                                                                                                                                                                                                                     | 0               | 0                                                                                                                                                                                                            | 0                | 0                                                                                                                      |                                                      |
| 10 NOLCO (Only for those taxable under Section 27 (A to C);<br>Section 28(A)(1)(A)(6)(b) of the Tax Code, as amended)<br>(For Special Rate: If w/ only 1 activity, From Schedule 8.1<br>Item 8; if with 2 or more activities, From all of Part V-Sched B<br>Item 10; For Reg. Rate: From Sched 7.1 Item 8 )                                                                                                                                                      |                 | 0                                                                                                                                                                                                            | 932,862,098      | 932,862,098                                                                                                            |                                                      |
| 11 Total Itemized Deductions<br>(Sum of Items 8 to 10)<br>(OR in case taxable under Sec 27(A) & 28(A)(1))                                                                                                                                                                                                                                                                                                                                                        | 122,649,422     | 0                                                                                                                                                                                                            | 10,449,097,010   | 10,571,746,432                                                                                                         |                                                      |
| 12 Optional Standard (OSD) (40% of Item 7)                                                                                                                                                                                                                                                                                                                                                                                                                       |                 |                                                                                                                                                                                                              | 0                | 0                                                                                                                      |                                                      |
| 13 Net Taxable Income/(Loss)<br>(If Itemized: Item 7 Less Item 11; If OSD: Item 7 Less Item 12)                                                                                                                                                                                                                                                                                                                                                                  | 85,995,913      | 0                                                                                                                                                                                                            | 7,234,893,822    | 7,320,889,735                                                                                                          |                                                      |
| 14 Applicable Income Tax Rate<br>(i.e. Special or Regular/Normal rate)                                                                                                                                                                                                                                                                                                                                                                                           | 0 %             | 5.0 %                                                                                                                                                                                                        | 25% ▾            |                                                                                                                        |                                                      |
| 15 Income Tax Due other than MCIT [For Special Rate: If<br>with only 1 activity, (Item 3 OR Item 7) X Item 14; if with 2 or<br>more activities, from all of Part V-Sched B Item 14; For Regular<br>Rate Item 13 X Item 14 ]                                                                                                                                                                                                                                      | 0               | 0                                                                                                                                                                                                            | 1,808,723,456    | 1,808,723,456                                                                                                          |                                                      |
| 16 Less: Share of Other Govt. Agencies,<br>if remitted directly                                                                                                                                                                                                                                                                                                                                                                                                  |                 | 0                                                                                                                                                                                                            | 0                | 0                                                                                                                      |                                                      |
| 17 Net Income Tax Due to National Government<br>(Item 15 Less Item 16)                                                                                                                                                                                                                                                                                                                                                                                           |                 | 0                                                                                                                                                                                                            | 1,808,723,456    | 1,808,723,456                                                                                                          |                                                      |
| 18 MCIT (2% of Gross Income in Item 7)                                                                                                                                                                                                                                                                                                                                                                                                                           |                 |                                                                                                                                                                                                              | 0                | 0                                                                                                                      |                                                      |
| 19 Total Income Tax Due / (Overpayment)<br>(Item 19B = Item 17B) (Item 19C = Normal Income Tax in Item<br>15C OR MCIT in Item 18C, whichever is higher) (Item 18D =<br>Sum of Items 19B and 19C) (Item 19D to Part II Item 14)                                                                                                                                                                                                                                   |                 | 0                                                                                                                                                                                                            | 1,808,723,456    | 1,808,723,456                                                                                                          |                                                      |
| Schedule 3 - Tax Credits/Payments (attach proof)                                                                                                                                                                                                                                                                                                                                                                                                                 |                 |                                                                                                                                                                                                              |                  |                                                                                                                        |                                                      |
| 20 Prior Year's Excess Credits Other Than MCIT                                                                                                                                                                                                                                                                                                                                                                                                                   | 0               | 0                                                                                                                                                                                                            | 1,589,965,221    | 1,589,965,221                                                                                                          |                                                      |
| 21 Income Tax Payments under MCIT from<br>Previous Quarter/s                                                                                                                                                                                                                                                                                                                                                                                                     |                 |                                                                                                                                                                                                              | 0                | 0                                                                                                                      |                                                      |
| 22 Income Tax Payment under Regular Rate from<br>Previous Qtr/s                                                                                                                                                                                                                                                                                                                                                                                                  | 0               | 0                                                                                                                                                                                                            | 0                | 0                                                                                                                      |                                                      |
| 23 Excess MCIT Applied this Current Taxable Year<br>(From Schedule 9 Item 4)                                                                                                                                                                                                                                                                                                                                                                                     |                 |                                                                                                                                                                                                              | 152,572,612      | 152,572,612                                                                                                            |                                                      |
| 24 Creditable Tax Withheld from Previous Quarter/s<br>per BIR Form No. 2307                                                                                                                                                                                                                                                                                                                                                                                      | 0               | 0                                                                                                                                                                                                            | 372,754,700      | 372,754,700                                                                                                            |                                                      |
| 25 Creditable Tax Withheld per BIR Form No. 2307 for<br>the 4th Quarter                                                                                                                                                                                                                                                                                                                                                                                          | 0               | 0                                                                                                                                                                                                            | 108,422,261      | 108,422,261                                                                                                            |                                                      |
| 26 Foreign Tax Credits, if applicable                                                                                                                                                                                                                                                                                                                                                                                                                            | 0               | 0                                                                                                                                                                                                            | 0                | 0                                                                                                                      |                                                      |
| 27 Tax Paid in Return Previously Filed, if this is an<br>Amended Return                                                                                                                                                                                                                                                                                                                                                                                          | 0               | 0                                                                                                                                                                                                            | 0                | 0                                                                                                                      |                                                      |
| 28 Income Tax Payments under Special Rate from<br>Previous Quarter/s                                                                                                                                                                                                                                                                                                                                                                                             | 0               | 0                                                                                                                                                                                                            | 0                | 0                                                                                                                      |                                                      |
| 29 Special Tax Credits (To Part IV-Schedule 4 Item 6)                                                                                                                                                                                                                                                                                                                                                                                                            | 0               | 0                                                                                                                                                                                                            | 0                | 0                                                                                                                      |                                                      |
| Other Credits/Payments (Specify Below):                                                                                                                                                                                                                                                                                                                                                                                                                          |                 |                                                                                                                                                                                                              |                  |                                                                                                                        |                                                      |
| 30                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 0               | 0                                                                                                                                                                                                            | 0                | 0                                                                                                                      |                                                      |
| 31                                                                                                                                                                                                                                                                                                                                                                                                                                                               | 0               | 0                                                                                                                                                                                                            | 0                | 0                                                                                                                      |                                                      |
|                                                                                                                                                                                                                                                                                                                                                                               |                 |                                                                                                                                                                                                              |                  |                                                                                                                        |                                                      |
| 32 Total Tax Credits/Payments<br>(Sum of Items 20 to 31) (Item 32D to Part II Item 15)                                                                                                                                                                                                                                                                                                                                                                           | 0               | 0                                                                                                                                                                                                            | 2,223,714,794    | 2,223,714,794                                                                                                          |                                                      |
| 33 Net Tax Payable / (Overpayment)<br>(Item 19 Less Item 32) (Item 33D to Part II Item 16)                                                                                                                                                                                                                                                                                                                                                                       | 0               | 0                                                                                                                                                                                                            | (414,991,338)    | (414,991,338)                                                                                                          |                                                      |

|                                                                 |  |                                                                                                                                                                                                       |  |                                                                                                            |  |
|-----------------------------------------------------------------|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------|--|
| BIR Form No.<br><b>1702-MX</b><br>January 2018 (ENCS)<br>Page 3 |  | <b>Annual Income Tax Return</b><br>Corporation, Partnership and Other Non-Individual<br>with MIXED Income Subject to Multiple Income Tax Rates or<br>with Income Subject to SPECIAL/PREFERENTIAL RATE |  | <br>1702-MX 01/18ENCS P3 |  |
| Taxpayer Identification Number (TIN)                            |  |                                                                                                                                                                                                       |  | Registered Name                                                                                            |  |
| 000 - 533 - 224 - 000                                           |  |                                                                                                                                                                                                       |  | FILINVEST LAND INC                                                                                         |  |

|                                                                                                                  |                 |                  |                  |                      |
|------------------------------------------------------------------------------------------------------------------|-----------------|------------------|------------------|----------------------|
| <b>Schedule 4 - Tax Relief Availment</b>                                                                         |                 |                  |                  |                      |
| Description                                                                                                      | A. Total Exempt | B. Total Special | C. Total Regular | D. Total All Columns |
| 1 Regular Income Tax Otherwise Due<br>(Item 13A/B of Part IV-Schedule 2 X applicable regular income tax rate)    | 21,498,978      | 0                |                  | 21,498,978           |
| 2 Special Allowable Itemized Deductions<br>(Item 9A/B/C of Part IV-Sched 2 X applicable regular income tax rate) | 0               | 0                | 0                | 0                    |
| 3 Sub-Total - Tax Relief(Sum of Items 1 and 2)                                                                   | 21,498,978      | 0                | 0                | 21,498,978           |
| 4 Less: Income Tax Due (From Part IV-Schedule 2 item 15B)                                                        | 0               | 0                |                  | 0                    |
| 5 Tax Relief Availment before Special Tax Credit<br>(Item 3 Less Item 4)                                         | 21,498,978      | 0                | 0                | 21,498,978           |
| 6 Add: Special Tax Credits, if any (From Part IV-Schedule 3 Item 29)                                             | 0               | 0                | 0                | 0                    |
| 7 Total Tax Relief Availment (Sum of Items 5 & 6)                                                                | 21,498,978      | 0                | 0                | 21,498,978           |

|                                                                                                                                                                                                                                                                             |            |   |               |               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---|---------------|---------------|
| <b>Schedule 5 - Ordinary Allowable Itemized Deductions</b> (attach additional sheet/s, if necessary)<br>If with only one activity, fill-out the applicable columns below: if with two or more activities, amount for each expense shall come from all of Part V-Schedule D) |            |   |               |               |
| 1 Amortizations                                                                                                                                                                                                                                                             | 0          | 0 | 0             | 0             |
| 2 Bad Debts                                                                                                                                                                                                                                                                 | 0          | 0 | 0             | 0             |
| 3 Charitable and Other Contributions                                                                                                                                                                                                                                        | 0          | 0 | 500,000       | 500,000       |
| 4 Depletion                                                                                                                                                                                                                                                                 | 0          | 0 | 0             | 0             |
| 5 Depreciation                                                                                                                                                                                                                                                              | 1,216,877  | 0 | 1,295,069,584 | 1,296,286,461 |
| 6 Entertainment, Amusement, and Recreation                                                                                                                                                                                                                                  | 38,461     | 0 | 69,329,483    | 69,367,944    |
| 7 Fringe Benefits                                                                                                                                                                                                                                                           | 0          | 0 | 0             | 0             |
| 8 Interest                                                                                                                                                                                                                                                                  | 37,988,777 | 0 | 4,832,760,606 | 4,870,749,383 |
| 9 Losses                                                                                                                                                                                                                                                                    | 0          | 0 | 0             | 0             |
| 10 Pension Trusts                                                                                                                                                                                                                                                           | 0          | 0 | 0             | 0             |
| 11 Rental                                                                                                                                                                                                                                                                   | 0          | 0 | 57,753,853    | 57,753,853    |
| 12 Research and Development                                                                                                                                                                                                                                                 | 0          | 0 | 0             | 0             |
| 13 Salaries, Wages and Allowances                                                                                                                                                                                                                                           | 55,432,335 | 0 | 666,029,075   | 721,461,410   |
| 14 SSS, GSIS, Philhealth, HDMF and Other Contributions                                                                                                                                                                                                                      | 0          | 0 | 0             | 0             |
| 15 Taxes and Licenses                                                                                                                                                                                                                                                       | 1,362,713  | 0 | 390,779,539   | 392,142,252   |
| 16 Transportation and Travels                                                                                                                                                                                                                                               | 342,023    | 0 | 68,071,356    | 68,413,379    |
| 17 Others (Deductions Subject to Withholding Tax and Other Expenses)(Specify below; Attach additional sheet(s), if necessary)                                                                                                                                               |            |   |               |               |
| a Janitorial and Messengerial Services                                                                                                                                                                                                                                      | 0          | 0 | 29,492,096    | 29,492,096    |
| b Professional Fees                                                                                                                                                                                                                                                         | 211,923    | 0 | 204,921,927   | 205,133,850   |
| c Security Services                                                                                                                                                                                                                                                         | 0          | 0 | 0             | 0             |
| d OTHERS                                                                                                                                                                                                                                                                    | 26,056,313 | 0 | 1,901,527,393 | 1,927,583,706 |
| e                                                                                                                                                                                                                                                                           | 0          | 0 | 0             | 0             |
| f                                                                                                                                                                                                                                                                           | 0          | 0 | 0             | 0             |
| g                                                                                                                                                                                                                                                                           | 0          | 0 | 0             | 0             |
| h                                                                                                                                                                                                                                                                           | 0          | 0 | 0             | 0             |
| i                                                                                                                                                                                                                                                                           | 0          | 0 | 0             | 0             |
| 18 Total Ordinary Allowable Itemized Deductions<br>(Sum of Items 1 to 17i) (To Part IV-Schedule 2 Item 8)                                                                                                                                                                   |            |   |               |               |
| 122,649,422                                                                                                                                                                                                                                                                 |            | 0 | 9,516,234,912 | 9,638,884,334 |

|                                                                                                                                                                                                                                                                            |             |                 |                  |                  |                      |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-----------------|------------------|------------------|----------------------|
| <b>Schedule 6 – Special Allowable Itemized Deductions</b> (attach additional sheet/s, if necessary)<br>If with only one activity, fill-out the applicable columns below: if with two or more activities, amount for each expense shall come from all of Part V-Schedule E) |             |                 |                  |                  |                      |
| Description                                                                                                                                                                                                                                                                | Legal Basis | A. Total Exempt | B. Total Special | C. Total Regular | D. Total All Columns |
| 1                                                                                                                                                                                                                                                                          |             | 0               | 0                | 0                | 0                    |
| 2                                                                                                                                                                                                                                                                          |             | 0               | 0                | 0                | 0                    |
| 3                                                                                                                                                                                                                                                                          |             | 0               | 0                | 0                | 0                    |
| 4                                                                                                                                                                                                                                                                          |             | 0               | 0                | 0                | 0                    |
| 5 Total Special Allowable Itemized Deductions<br>(Sum of Items 1 to 4) (To Part IV-Schedule 2 Item 9)                                                                                                                                                                      |             |                 |                  |                  |                      |
| 0                                                                                                                                                                                                                                                                          |             | 0               | 0                | 0                |                      |

|                                                                                                                                     |  |  |   |  |
|-------------------------------------------------------------------------------------------------------------------------------------|--|--|---|--|
| <b>Schedule 7 - Computation of Net Operating Loss Carry Over (NOLCO) for Regular Rate</b> (Attach Additional Sheet/s, if necessary) |  |  |   |  |
| 1 Gross Income (From Part IV-Schedule 2 Item 7C)                                                                                    |  |  | 0 |  |
| 2 Less: Ordinary Allowable Itemized Deductions (From Part IV-Schedule 2 Item 8C)                                                    |  |  | 0 |  |
| 3 Net Operating Loss (Item 1 Less Item 2) (To Part IV-Schedule 7.1, Item 7A)                                                        |  |  | 0 |  |

|                                                                 |  |                                                                                                                                                                                                |  |                    |                                                                                                            |  |
|-----------------------------------------------------------------|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|--------------------|------------------------------------------------------------------------------------------------------------|--|
| BIR Form No.<br><b>1702-MX</b><br>January 2018 (ENCS)<br>Page 4 |  | Annual Income Tax Return<br>Corporation, Partnership and Other Non-Individual<br>with MIXED Income Subject to Multiple Income Tax Rates or<br>with Income Subject to SPECIAL/PREFERENTIAL RATE |  |                    | <br>1702-MX 01/18ENCS P4 |  |
| Taxpayer Identification Number (TIN)                            |  |                                                                                                                                                                                                |  | Registered Name    |                                                                                                            |  |
| 000 - 533 - 224 - 000                                           |  |                                                                                                                                                                                                |  | FILINVEST LAND INC |                                                                                                            |  |

Schedule 7.1 - Computation of Available Net Operating Loss Carry Over (NOLCO) for Regular Rate (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

| Net Operating Loss |                                                                      | B. NOLCO Applied Previous Year/s | C. NOLCO Expired | D. NOLCO Applied Current Year | E. Net Operating Loss (Unapplied) [(E) = A - (B+C+D)] |
|--------------------|----------------------------------------------------------------------|----------------------------------|------------------|-------------------------------|-------------------------------------------------------|
| Year Incurred      | A. Amount                                                            |                                  |                  |                               |                                                       |
| 4                  | 2024 932,862,098                                                     | 0                                | 0                | 932,862,098                   | 0                                                     |
| 5                  | 0                                                                    | 0                                | 0                | 0                             | 0                                                     |
| 6                  | 0                                                                    | 0                                | 0                | 0                             | 0                                                     |
| 7                  | 0                                                                    | 0                                | 0                | 0                             | 0                                                     |
| 8                  | Total NOLCO (Sum of Items 4D to 7D) (To Part IV-Schedule 2 Item 10C) |                                  |                  | 932,862,098                   |                                                       |

Schedule 8 - Computation of Net Operating Loss Carry Over (NOLCO) for Special Rate (except those availing fiscal incentives) (Attach Additional Sheet/s, if necessary)

|   |                                                                                |   |
|---|--------------------------------------------------------------------------------|---|
| 1 | Gross Income (From Part IV-Schedule 2 Item 7B)                                 | 0 |
| 2 | Less: Ordinary Allowable Itemized Deductions (From Part IV-Schedule 2 Item 8B) | 0 |
| 3 | Net Operating Loss (Item 1 Less Item 2) (To Part IV-Schedule 8.1 Item 7A)      | 0 |

Schedule 8.1 - Computation of Available Net Operating Loss Carry Over (NOLCO) for Special Rate (DO NOT enter Centavos; 49 Centavos or Less drop down; 50 or more round up)

| Net Operating Loss |                                                                      | B. NOLCO Applied Previous Year/s | C. NOLCO Expired | D. NOLCO Applied Current Year | E. Net Operating Loss (Unapplied) [(E) = A - (B+C+D)] |
|--------------------|----------------------------------------------------------------------|----------------------------------|------------------|-------------------------------|-------------------------------------------------------|
| Year Incurred      | A. Amount                                                            |                                  |                  |                               |                                                       |
| 4                  | 0                                                                    | 0                                | 0                | 0                             | 0                                                     |
| 5                  | 0                                                                    | 0                                | 0                | 0                             | 0                                                     |
| 6                  | 0                                                                    | 0                                | 0                | 0                             | 0                                                     |
| 7                  | 0                                                                    | 0                                | 0                | 0                             | 0                                                     |
| 8                  | Total NOLCO (Sum of Items 4D to 7D) (To Part IV-Schedule 2 Item 10B) |                                  |                  | 0                             |                                                       |

Schedule 9 - Computation of Minimum Corporate Income Tax (MCIT)

| Year   | A) Normal Income Tax as Adjusted | B) MCIT     | C) Excess MCIT over Normal Income Tax |
|--------|----------------------------------|-------------|---------------------------------------|
| 1 2024 | 0                                | 152,572,612 | 152,572,612                           |
| 2      | 0                                | 0           | 0                                     |
| 3      | 0                                | 0           | 0                                     |

Continuation of Schedule 9 (Item numbers continue from table above)

| D) Excess MCIT Applied/Used for Previous Years |                                                                                   | E) Expired Portion of Excess MCIT | F) Excess MCIT Applied this Current Taxable Year | G) Balance of Excess MCIT Allowable as Tax Credit for Succeeding Year/s [ G = C Less (D + E + F ) ] |
|------------------------------------------------|-----------------------------------------------------------------------------------|-----------------------------------|--------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| 1                                              | 0                                                                                 | 0                                 | 152,572,612                                      | 0                                                                                                   |
| 2                                              | 0                                                                                 | 0                                 | 0                                                | 0                                                                                                   |
| 3                                              | 0                                                                                 | 0                                 | 0                                                | 0                                                                                                   |
| 4                                              | Total Excess MCIT Applied (Sum of Items 1F to 3F) (To Part IV-Schedule 3 Item 23) |                                   | 152,572,612                                      |                                                                                                     |

Schedule 10 - Reconciliation of Net Income per Books Against Taxable Income (Attach additional sheet/s, if necessary)

| Particulars                                                                   | A. Total Exempt | B. Total Special | C. Total Regular | D. Total All Columns |
|-------------------------------------------------------------------------------|-----------------|------------------|------------------|----------------------|
| 1 Net Income (Loss) per Books                                                 | 8,662,488       | 0                | 8,991,031,533    | 8,999,694,021        |
| Add: Non-deductible Expenses/Taxable Other Income (specify below)             |                 |                  |                  |                      |
| 2 UNREALIZED GP                                                               | 77,333,425      | 0                | 3,255,249,971    | 3,332,583,396        |
| 3                                                                             | 0               | 0                | 0                | 0                    |
|                                                                               |                 |                  |                  |                      |
| 4 Total (Sum of Items 1 to 3)                                                 | 77,333,425      | 0                | 3,255,249,971    | 3,332,583,396        |
| Less: A) Non-Taxable Income and Income Subjected to Final Tax (specify below) |                 |                  |                  |                      |
| 5 DIVIDEND INCOME                                                             | 0               | 0                | 1,786,312,529    | 1,786,312,529        |
| 6 VARIOUS                                                                     | 0               | 0                | 3,225,075,153    | 3,225,075,153        |
|                                                                               |                 |                  |                  |                      |
| B) Special Deductions (specify below)                                         |                 |                  |                  |                      |
| 7                                                                             | 0               | 0                | 0                | 0                    |
| 8                                                                             | 0               | 0                | 0                | 0                    |
|                                                                               |                 |                  |                  |                      |
| 9 Total (Sum of Items 5 to 8)                                                 | 0               | 0                | 5,011,387,682    | 5,011,387,682        |
| 10 Net Taxable Income (Loss) (Item 4 Less Item 9)                             | 85,995,913      | 0                | 7,234,893,822    | 7,320,889,735        |



## STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

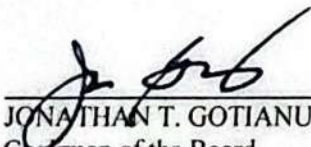
The management of **FILINVEST LAND, INC.** is responsible for the preparation and fair presentation of the financial statements including the schedules attached therein, for the years ended **December 31, 2025 and 2024**, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

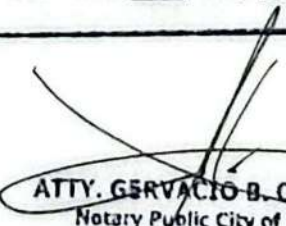
  
JONATHAN T. GOTIANUN  
Chairman of the Board

  
TRISTANIL D. LAS MARIAS  
President/CEO

SUBSCRIBED AND SWORN to before me this FEB 16 2026 day 16, of 2026  
at Makati City, affiant exhibited to ID No. \_\_\_\_\_  
ANA VENUS A. MEJIA  
EVP - Treasurer & CFO and COO

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2026

Doc. No. 219  
Page No. W  
Book No. V  
Series of 2026

  
ATTY. GERVACIO B. ORTIZ JR.  
Notary Public City of Makati  
Until December 31, 2026  
IBP No. 05729-Lifetime Member  
MCLE Compliance No. VIII-0040999  
valid until April 10, 2028  
Appointment No. M-007 (2025-2026)  
PTR No. 10765528 Jan. 3, 2026/ Makati  
Makati City Roll No. 40091  
101 Urban Ave. Campos Rueda Bldg.  
Brgy. Pio Del Pilar, Makati City

# COVER SHEET

for

## AUDITED FINANCIAL STATEMENTS

SEC Registration Number

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**COMPANY NAME**

[illegible]**PRINCIPAL OFFICE** ( No. / Street / Barangay / City / Town / Province )[illegible]

Form Type

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Department requiring the report

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Secondary License Type, If Applicable

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## COMPANY INFORMATION

Company's Email Address

|  |
|--|
|  |
|--|

Company's Telephone Number

7918-8188

Mobile Number

\_\_\_\_\_

No. of Stockholders

5,550

Annual Meeting (Month / Day)

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

Fiscal Year (Month / Day)

12/31

### CONTACT PERSON INFORMATION

The designated contact person **MUST** be an Officer of the Corporation

Name of Contact Person

**Ms. Venus A. Mejia**

Email Address

**venus.mejia@filinvestgroup.com**

Telephone Number/s

7918-8188

Mobile Number

\_\_\_\_\_

**CONTACT PERSON'S ADDRESS**

**79 EDSA, Brgy. Highway Hills, Mandaluyong City**

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

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



## INDEPENDENT AUDITOR'S REPORT

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

### Opinion

We have audited the accompanying parent company financial statements of Filinvest Land, Inc. (the Parent Company), which comprise the parent company statements of financial position as at December 31, 2025 and 2024, and the parent company statements of income, parent company statements of comprehensive income, parent company statements of changes in equity and parent company statements of cash flows for the years then ended, and notes to the parent company financial statements, including material accounting policy information.

In our opinion, the accompanying parent company financial statements present fairly, in all material respects, the financial position of the Parent Company as of December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

### Basis for Opinion

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

### Responsibilities of Management and Those Charged with Governance for the Parent Company Financial Statements

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

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





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

### **Auditor's Responsibilities for the Audit of the Parent Company Financial Statements**

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

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

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

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



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

### **Report on the Supplementary Information Required Under Revenue Regulations 15-2010**

The supplementary information required under Revenue Regulation 15-2010 for purposes of filing with the Bureau of Internal Revenue is presented by the management of the Filinvest Land, Inc. in a separate schedule. Revenue Regulations 15-2010 requires the information to be presented in the notes to parent company financial statements. Such information is not a required part of the basic financial statements. The information is also not required by Revised Securities Regulation Code Rule 68. Our opinion on the basic financial statements is not affected by the presentation of the information in a separate schedule.

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

SYCIP GORRES VELAYO & CO.



Wanessa G. Salvador

Partner

CPA Certificate No. 0118546

Tax Identification No. 248-679-852

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

SEC Partner Accreditation No. 118546-SEC (Group A)

Valid to cover audit of 2019 to 2023 financial statements,

with extension up to audit of 2025 financial statements

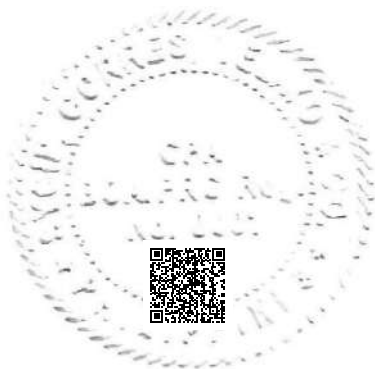
SEC Firm Accreditation No. 0001-SEC (Group A)

Valid to cover audit of 2021 to 2025 financial statements

BIR Accreditation No. 08-001998-137-2026, January 23, 2026, valid until January 22, 2029

PTR No. 10765124, January 2, 2026, Makati City

February 16, 2026



**FILINVEST LAND, INC.****PARENT COMPANY STATEMENTS OF FINANCIAL POSITION****(Amounts in Thousands of Pesos)**

|                                                                                 | <b>December 31</b>  |              |
|---------------------------------------------------------------------------------|---------------------|--------------|
|                                                                                 | <b>2025</b>         | <b>2024</b>  |
| <b>ASSETS</b>                                                                   |                     |              |
| <b>Current Assets</b>                                                           |                     |              |
| Cash and cash equivalents (Notes 6 and 20)                                      | <b>₱3,197,717</b>   | ₱1,979,529   |
| Contract receivables (Notes 5 and 7)                                            | <b>1,703,345</b>    | 2,178,282    |
| Contract assets (Note 5)                                                        | <b>6,403,891</b>    | 5,770,069    |
| Other receivables (Notes 8 and 20)                                              | <b>1,978,340</b>    | 1,402,749    |
| Real estate inventories (Note 9)                                                | <b>71,587,465</b>   | 67,543,008   |
| Other current assets (Note 5 and 10)                                            | <b>4,993,451</b>    | 7,069,494    |
| Total Current Assets                                                            | <b>89,864,209</b>   | 85,943,131   |
| <b>Noncurrent Assets</b>                                                        |                     |              |
| Contract assets - net of current portion (Note 5)                               | <b>3,815,001</b>    | 2,648,397    |
| Investments and advances in subsidiaries and associates<br>(Notes 2, 11 and 20) | <b>33,120,765</b>   | 25,589,320   |
| Investment properties (Note 12)                                                 | <b>72,274,041</b>   | 61,670,853   |
| Property and equipment (Note 13)                                                | <b>2,502,053</b>    | 2,556,176    |
| Build-transfer-operate (BTO) rights (Note 15)                                   | <b>5,733,416</b>    | 5,201,460    |
| Other noncurrent assets (Note 16)                                               | <b>1,786,673</b>    | 2,343,708    |
| Total Noncurrent Assets                                                         | <b>119,231,949</b>  | 100,009,914  |
| <b>TOTAL ASSETS</b>                                                             | <b>₱209,096,158</b> | ₱185,953,045 |
| <b>LIABILITIES AND EQUITY</b>                                                   |                     |              |
| <b>Current Liabilities</b>                                                      |                     |              |
| Accounts payable and accrued expenses (Note 17)                                 | <b>₱8,778,449</b>   | ₱9,291,169   |
| Contract liabilities (Note 5)                                                   | <b>477,242</b>      | 586,257      |
| Current portion of lease liabilities (Note 14)                                  | <b>402,917</b>      | 175,650      |
| Due to related parties (Note 20)                                                | <b>229,032</b>      | 238,355      |
| Current portion of loans payable (Notes 18 and 27)                              | <b>14,718,334</b>   | 6,330,910    |
| Current portion of bonds payable (Notes 19 and 27)                              | <b>1,752,262</b>    | 14,815,659   |
| Total Current Liabilities                                                       | <b>26,358,236</b>   | 31,438,000   |
| <b>Noncurrent Liabilities</b>                                                   |                     |              |
| Loans payable - net of current portion (Notes 18 and 27)                        | <b>27,177,568</b>   | 27,274,646   |
| Bonds payable - net of current portion (Notes 19 and 27)                        | <b>31,165,067</b>   | 21,040,928   |
| Contract liabilities - net of current portion (Note 5)                          | <b>46,070</b>       | 22,249       |
| Lease liabilities - net of current portion (Note 14)                            | <b>16,076,194</b>   | 4,959,256    |
| Net retirement liabilities (Note 26)                                            | <b>362,901</b>      | 372,966      |
| Deferred income tax liabilities - net (Note 28)                                 | <b>4,128,225</b>    | 4,995,997    |
| Accounts payable and accrued expenses - net of current portion<br>(Note 17)     | <b>7,581,764</b>    | 6,765,592    |
| Total Noncurrent Liabilities                                                    | <b>86,537,789</b>   | 65,431,634   |
| Total Liabilities                                                               | <b>112,896,025</b>  | 96,869,634   |

*(Forward)*

|                                                                                             | December 31         |                     |
|---------------------------------------------------------------------------------------------|---------------------|---------------------|
|                                                                                             | 2025                | 2024                |
| <b>Equity</b>                                                                               |                     |                     |
| Common stock (Note 27)                                                                      | ₱24,470,708         | ₱24,470,708         |
| Preferred stock (Note 27)                                                                   | 80,000              | 80,000              |
| Additional paid-in capital                                                                  | 5,612,321           | 5,612,321           |
| Treasury stock (Note 27)                                                                    | (2,078,084)         | (2,078,084)         |
| Retained earnings (Note 27)                                                                 |                     |                     |
| Unappropriated                                                                              | 34,091,539          | 36,213,611          |
| Appropriated                                                                                | 34,035,003          | 24,813,773          |
| Remeasurement losses on retirement plan (Note 26)                                           | (8,735)             | (26,299)            |
| Revaluation reserve on financial assets at fair value through<br>other comprehensive income | (2,619)             | (2,619)             |
| Total Equity                                                                                | 96,200,133          | 89,083,411          |
| <b>TOTAL LIABILITIES AND EQUITY</b>                                                         | <b>₱209,096,158</b> | <b>₱185,953,045</b> |

*See accompanying Notes to Parent Company Financial Statements.*



**FILINVEST LAND, INC.****PARENT COMPANY STATEMENTS OF INCOME****(Amounts in Thousands of Pesos)**

|                                                                    | <b>Years Ended December 31</b> |             |
|--------------------------------------------------------------------|--------------------------------|-------------|
|                                                                    | <b>2025</b>                    | <b>2024</b> |
| <b>REVENUE</b>                                                     |                                |             |
| Real estate sales (Note 5)                                         | <b>₱15,892,678</b>             | ₱15,328,275 |
| Rental services (Notes 5, 12, 14 and 15)                           | <b>3,818,714</b>               | 3,486,260   |
|                                                                    | <b>19,711,392</b>              | 18,814,535  |
| <b>OTHER INCOME</b>                                                |                                |             |
| Gain on property-for-share swap (Notes 11 and 20)                  | <b>3,983,131</b>               | —           |
| Dividend income (Notes 11 and 20)                                  | <b>1,786,313</b>               | 1,506,886   |
| Interest income (Notes 6, 7, 20 and 24)                            | <b>288,571</b>                 | 232,581     |
| Gain on voluntary tender offer (Note 11 and 27)                    | <b>—</b>                       | 1,031,853   |
| Others (Notes 20 and 25)                                           | <b>281,314</b>                 | 297,664     |
|                                                                    | <b>26,050,721</b>              | 21,883,519  |
| <b>COSTS</b>                                                       |                                |             |
| Real estate sales (Note 9)                                         | <b>7,673,203</b>               | 7,351,968   |
| Rental services (Notes 12, 15 and 21)                              | <b>1,920,307</b>               | 1,654,149   |
| <b>OPERATING EXPENSES</b>                                          |                                |             |
| General and administrative expenses (Note 22)                      | <b>2,580,233</b>               | 2,331,081   |
| Selling and marketing expenses (Note 23)                           | <b>1,276,301</b>               | 1,469,605   |
| <b>INTEREST AND OTHER FINANCE CHARGES</b><br>(Notes 18, 19 and 24) | <b>3,595,782</b>               | 2,706,779   |
|                                                                    | <b>17,045,826</b>              | 15,513,582  |
| <b>INCOME BEFORE INCOME TAX</b>                                    | <b>9,004,895</b>               | 6,369,937   |
| <b>PROVISION FOR INCOME TAX</b> (Note 28)                          | <b>782,549</b>                 | 953,212     |
| <b>NET INCOME</b>                                                  | <b>₱8,222,346</b>              | ₱5,416,725  |

*See accompanying Notes to Parent Company Financial Statements.*

**FILINVEST LAND, INC.****PARENT COMPANY STATEMENTS OF COMPREHENSIVE INCOME****(Amounts in Thousands of Pesos)**

|                                                                             | <b>Years Ended December 31</b> |                   |
|-----------------------------------------------------------------------------|--------------------------------|-------------------|
|                                                                             | <b>2025</b>                    | <b>2024</b>       |
| <b>NET INCOME</b>                                                           | <b>₱8,222,346</b>              | <b>₱5,416,725</b> |
| <b>OTHER COMPREHENSIVE LOSS</b>                                             |                                |                   |
| Other comprehensive gain (loss) not to be reclassified to<br>profit or loss |                                |                   |
| Remeasurement gain (loss) on retirement plan,<br>net of tax (Note 26)       | <b>17,564</b>                  | <b>(42,752)</b>   |
| <b>TOTAL COMPREHENSIVE INCOME</b>                                           | <b>₱8,239,910</b>              | <b>₱5,373,973</b> |

*See accompanying Notes to Parent Company Financial Statements.*

**FILINVEST LAND, INC.**
**PARENT COMPANY STATEMENTS OF CHANGES IN EQUITY**
**(Amounts in Thousands of Pesos)**

|                                             | Common<br>Stock<br>(Note 27) | Preferred<br>Stock<br>(Note 27) | Additional<br>Paid-in<br>Capital | Treasury<br>Stock<br>(Note 27) | Unappropriated<br>Retained<br>Earnings<br>(Note 27) | Appropriated<br>Retained<br>Earnings<br>(Note 27) | Remeasurement<br>Gains (Losses)<br>on Retirement<br>Plan<br>(Note 26) | Revaluation<br>Reserve on<br>Financial<br>Assets<br>at FVOCI<br>(Note 16) | Total              |
|---------------------------------------------|------------------------------|---------------------------------|----------------------------------|--------------------------------|-----------------------------------------------------|---------------------------------------------------|-----------------------------------------------------------------------|---------------------------------------------------------------------------|--------------------|
| <b>For the Year Ended December 31, 2025</b> |                              |                                 |                                  |                                |                                                     |                                                   |                                                                       |                                                                           |                    |
| Balances as at January 1, 2025              | ₱24,470,708                  | ₱80,000                         | ₱5,612,321                       | (₱2,078,084)                   | ₱36,213,611                                         | ₱24,813,773                                       | (₱26,299)                                                             | (₱2,619)                                                                  | ₱89,083,411        |
| Net income                                  | —                            | —                               | —                                | —                              | 8,222,346                                           | —                                                 | —                                                                     | —                                                                         | 8,222,346          |
| Other comprehensive gain                    | —                            | —                               | —                                | —                              | —                                                   | —                                                 | 17,564                                                                | —                                                                         | 17,564             |
| Total comprehensive income                  | —                            | —                               | —                                | —                              | 8,222,346                                           | —                                                 | 17,564                                                                | —                                                                         | 8,239,910          |
| Reversal of appropriation (Note 27)         | —                            | —                               | —                                | —                              | 1,866,000                                           | (1,866,000)                                       | —                                                                     | —                                                                         | —                  |
| Appropriation during the year (Note 27)     | —                            | —                               | —                                | —                              | (11,087,230)                                        | 11,087,230                                        | —                                                                     | —                                                                         | —                  |
| Dividends (Note 27)                         | —                            | —                               | —                                | —                              | (1,123,188)                                         | —                                                 | —                                                                     | —                                                                         | (1,123,188)        |
| <b>Balances as of December 31, 2025</b>     | <b>₱24,470,708</b>           | <b>₱80,000</b>                  | <b>₱5,612,321</b>                | <b>(₱2,078,084)</b>            | <b>₱34,091,539</b>                                  | <b>₱34,035,003</b>                                | <b>(₱8,735)</b>                                                       | <b>(₱2,619)</b>                                                           | <b>₱96,200,133</b> |
| <b>For the Year Ended December 31, 2024</b> |                              |                                 |                                  |                                |                                                     |                                                   |                                                                       |                                                                           |                    |
| Balances as at January 1, 2024              | ₱24,470,708                  | ₱80,000                         | ₱5,612,321                       | (₱221,041)                     | ₱51,827,147                                         | ₱5,000,000                                        | ₱16,453                                                               | (₱2,619)                                                                  | ₱86,782,969        |
| Net income                                  | —                            | —                               | —                                | —                              | 5,416,725                                           | —                                                 | —                                                                     | —                                                                         | 5,416,725          |
| Other comprehensive loss                    | —                            | —                               | —                                | —                              | —                                                   | —                                                 | (42,752)                                                              | —                                                                         | (42,752)           |
| Total comprehensive income                  | —                            | —                               | —                                | —                              | 5,416,725                                           | —                                                 | (42,752)                                                              | —                                                                         | 5,373,973          |
| Reversal of appropriation (Note 27)         | —                            | —                               | —                                | —                              | 5,000,000                                           | (5,000,000)                                       | —                                                                     | —                                                                         | —                  |
| Appropriations during the year (Note 27)    | —                            | —                               | —                                | —                              | (24,813,773)                                        | 24,813,773                                        | —                                                                     | —                                                                         | —                  |
| Increase in treasury stock (Note 27)        | —                            | —                               | —                                | (1,857,043)                    | —                                                   | —                                                 | —                                                                     | —                                                                         | (1,857,043)        |
| Dividends (Note 27)                         | —                            | —                               | —                                | —                              | (1,216,488)                                         | —                                                 | —                                                                     | —                                                                         | (1,216,488)        |
| <b>Balances as of December 31, 2024</b>     | <b>₱24,470,708</b>           | <b>₱80,000</b>                  | <b>₱5,612,321</b>                | <b>(₱2,078,084)</b>            | <b>₱36,213,611</b>                                  | <b>₱24,813,773</b>                                | <b>(₱26,299)</b>                                                      | <b>(₱2,619)</b>                                                           | <b>₱89,083,411</b> |

*See accompanying Notes to Parent Company Financial Statements.*


**FILINVEST LAND, INC.****PARENT COMPANY STATEMENTS OF CASH FLOWS****(Amounts in Thousands of Pesos)**

|                                                                                | <b>Years Ended December 31</b> |                   |
|--------------------------------------------------------------------------------|--------------------------------|-------------------|
|                                                                                | <b>2025</b>                    | <b>2024</b>       |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                    |                                |                   |
| Income before income tax                                                       | <b>₱9,004,895</b>              | <b>₱6,369,937</b> |
| Adjustments for:                                                               |                                |                   |
| Interest expense and amortization of transaction cost<br>(Notes 18, 19 and 24) | <b>3,594,920</b>               | 2,627,490         |
| Depreciation and amortization (Notes 12, 13, and 15)                           | <b>1,662,733</b>               | 1,311,622         |
| Pension expense, net of contribution and benefits paid (Note 26)               | <b>59,936</b>                  | (13,915)          |
| Interest income (Note 24)                                                      | <b>(288,571)</b>               | (232,581)         |
| Gain on property-for-share swap (Notes 11 and 33)                              | <b>(3,983,131)</b>             | —                 |
| Dividend income (Note 11 and 20)                                               | <b>(1,786,313)</b>             | (1,506,886)       |
| Gain on voluntary tender offer (Note 27)                                       | <b>—</b>                       | (1,031,853)       |
| Operating income before changes in operating assets and liabilities            | <b>8,264,469</b>               | 7,523,814         |
| Changes in operating assets and liabilities                                    |                                |                   |
| Decrease (increase) in:                                                        |                                |                   |
| Contract receivables                                                           | <b>474,937</b>                 | (340,453)         |
| Contract assets                                                                | <b>(1,800,426)</b>             | 1,361,205         |
| Other receivables                                                              | <b>(575,591)</b>               | 29,698            |
| Real estate inventories                                                        | <b>(2,776,461)</b>             | (3,662,669)       |
| Other assets                                                                   | <b>2,633,078</b>               | (1,656,096)       |
| Increase (decrease) in:                                                        |                                |                   |
| Accounts payable and accrued expenses                                          | <b>(771,739)</b>               | 466,473           |
| Due to related parties (Notes 20 and 30)                                       | <b>(9,323)</b>                 | 93,595            |
| Contract liabilities                                                           | <b>(85,194)</b>                | (333,845)         |
| Net cash generated from operations                                             | <b>5,353,750</b>               | 3,481,722         |
| Income taxes paid, including creditable withholding taxes                      | <b>(1,961,321)</b>             | (152,593)         |
| Interest received                                                              | <b>288,571</b>                 | 232,581           |
| Net cash provided by operating activities                                      | <b>3,681,000</b>               | 3,561,710         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                                    |                                |                   |
| Additions to:                                                                  |                                |                   |
| Investment properties and property and equipment (Notes 12 and 13)             | <b>(1,123,239)</b>             | (2,470,360)       |
| BTO rights (Note 15)                                                           | <b>(500,988)</b>               | (107,751)         |
| Proceeds from disposal of property and equipment (Note 13)                     | <b>1,704</b>                   | —                 |
| Increase in investments and advances in subsidiaries and associates (Note 11)  | <b>(1,271,333)</b>             | (2,564,076)       |
| Cash dividends received (Note 11 and 20)                                       | <b>1,786,313</b>               | 1,506,886         |
| Net cash used in investing activities                                          | <b>(1,107,543)</b>             | (3,635,301)       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                    |                                |                   |
| Proceeds from availment of:                                                    |                                |                   |
| Loans payable (Notes 18 and 30)                                                | <b>16,650,000</b>              | 31,020,000        |
| Bonds payable (Note 19)                                                        | <b>12,000,000</b>              | —                 |
| Payments of:                                                                   |                                |                   |
| Lease liabilities (Note 14)                                                    | <b>(640,801)</b>               | (302,289)         |
| Loans payable (Note 18)                                                        | <b>(8,323,970)</b>             | (24,752,379)      |
| Bonds payable (Note 19)                                                        | <b>(14,925,000)</b>            | (1,700,000)       |
| Interest and transaction costs                                                 | <b>(4,992,310)</b>             | (4,193,110)       |
| Cash dividend (Notes 27 and 30)                                                | <b>(1,123,188)</b>             | (1,216,488)       |
| Net cash used in financing activities                                          | <b>(1,355,269)</b>             | (1,144,266)       |
| <b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>                    | <b>1,218,188</b>               | (1,217,857)       |
| <b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>                          | <b>1,979,529</b>               | 3,197,386         |
| <b>CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 6)</b>                       | <b>₱3,197,717</b>              | <b>₱1,979,529</b> |

See accompanying Notes to Parent Company Financial Statements.





## **FILINVEST LAND, INC.**

### **NOTES TO PARENT COMPANY FINANCIAL STATEMENTS**

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#### **1. Corporate Information**

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

The Parent Company is a subsidiary of Filinvest Development Corporation (FDC), a publicly listed entity. A.L. Gotianun, Inc. (ALG) is its ultimate parent company. FDC and ALG were incorporated in the Philippines.

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

#### Approval of the Parent Company Financial Statements

The parent company financial statements were approved and authorized for issue by the Board of Directors (BOD) on February 16, 2026.

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#### **2. Material Accounting Policy Information**

##### Basis of Preparation

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

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

##### Statement of Compliance

The parent company financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

##### New Standards, Interpretations and Amendments

The accounting policies adopted in the preparation of the parent company financial statements are consistent with those of the previous financial years, except for the adoption of new standards effective in 2025. The Parent Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.



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

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.
- The amendments are effective for annual reporting periods beginning on or after January 1, 2025. Earlier adoption is permitted and that fact must be disclosed. When applying the amendments, an entity cannot restate comparative information.

Standards Issues but not yet Effective

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

*Effective beginning on or after January 1, 2026*

- Amendments to Illustrative Examples on PFRS 7, PFRS 18, PAS 1, PAS 8, PAS 26 and PAS 37, *Disclosure about Uncertainties in the Financial Statements*
- 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.

The amendments are not expected to have a material impact on the Parent Company’s accounting of financial instruments.

- Amendments to PFRS 9 and PFRS 7, *Contracts Referencing Nature-dependent Electricity*
- Annual Improvements to PFRS Accounting Standards—Volume 11
- Amendments to PFRS 1, *Hedge Accounting by a First-time Adopter*
- Amendments to PFRS 7, *Gain or Loss on Derecognition*
- Amendments to PFRS 9, *Lessee Derecognition of Lease Liabilities and Transaction Price*
- Amendments to PFRS 10, *Determination of a ‘De Facto Agent’*
- Amendments to PAS 7, *Cost Method*



*Effective beginning on or after January 1, 2027*

- PFRS 18, *Presentation and Disclosure in Financial Statements*

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

The Parent Company is currently assessing the impact of adopting PFRS 18 in its financial reporting, including its data collection process.

*Deferred effectivity*

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

#### Material Accounting Policies

##### Fair Value Measurement

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

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

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

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

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

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



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

#### Financial Instruments (*Date of recognition*)

Financial assets and liabilities are recognized in the parent company statement of financial position when, and only when, the Parent Company becomes a party to the contractual provisions of the instrument.

#### Recognition and Measurement of Financial Instruments

##### *Financial assets*

##### *Initial recognition and measurement*

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

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

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

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

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

As of December 31, 2025 and 2024, the Parent Company's financial assets comprise of financial assets at amortized cost and financial assets at FVOCI.

##### *Subsequent measurement*

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

- Financial assets at amortized cost (debt instruments)
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at FVPL



*Financial assets at amortized cost*

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

The Parent Company classified cash and cash equivalents, contract receivables, other receivables, short-term deposits (included in other current assets) and investment in bonds as financial assets at amortized cost (see Note 29).

*Financial assets at FVOCI (equity instruments)*

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

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

Included under this category are the Parent Company’s investments in quoted and unquoted shares of stocks (see Note 16).

*Financial liabilities*

*Initial recognition and measurement*

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

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

*Subsequent measurement*

Loans and borrowings (financial liabilities at amortized cost) is the category most relevant to the Parent Company. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

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

As of December 31, 2025 and 2024, loans and borrowings consist primarily of lease liabilities, accounts payable and accrued expenses, loans payable, bonds payable and due to related parties (see Notes 14, 17, 18, 19 and 20).

Impairment of Financial Assets and Contract Assets

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



The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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

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

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

#### Derecognition of Financial Assets and Financial Liabilities

##### *Financial assets*

A financial asset is derecognized when:

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

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

##### *Financial liabilities*

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

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



### Real Estate Inventories

#### *Lots, condominium and residential units for sale*

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

Cost includes:

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

In case of sales cancellation, the Parent Company can repossess the properties and hold it for sale in the ordinary course of business at the prevailing market price. The repossessed properties are accounted for as inventories and recognized at its fair value less cost to repossess at the time of cancellation.

NRV is the estimated selling price in the ordinary course of the business, based on market prices at the reporting date, less estimated costs of completion and the estimated costs of sale. The cost of inventory recognized in parent company statement of income on disposal is determined with reference to the specific costs incurred on the property sold, including an allocation of any non-specific costs based on the relative size of the property sold.

#### *Land and land development*

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

### Investments in Subsidiaries and Associates

Investments in subsidiaries and associates are accounted for using the cost method less accumulated provisions for impairment losses in the parent company financial statements.

The Parent Company’s investment in subsidiaries and associates, nature of business and the related percentages of ownership as at December 31, 2025 and 2024 are as follows:

| <b>Entity Name</b>                                    | <b>Nature of Business</b> | <b>2025</b>   | <b>2024</b> |
|-------------------------------------------------------|---------------------------|---------------|-------------|
| <b><i>Subsidiaries</i></b>                            |                           |               |             |
| Filinvest AII Philippines, Inc. (FAPI)                | Real estate developer     | <b>100.0%</b> | 100.0%      |
| FCGC Corporation (FCGCC)                              | Real estate developer     | <b>100.0%</b> | 100.0%      |
| Filinvest BCDA Clark, Inc. (FBCI) <sup>1</sup>        | Real estate developer     | <b>55.0%</b>  | 55.0%       |
| Gintong Parisukat Realty and Development Inc. (GPRDI) | Real estate developer     | <b>100.0%</b> | 100.0%      |
| Homepro Realty Marketing, Inc. (Homepro)              | Real estate developer     | <b>100.0%</b> | 100.0%      |
| SJR Developers, Inc. (SDI)                            | Real estate developer     | <b>100.0%</b> | 100.0%      |
| Niyog Property Holdings, Inc. (NPHI) <sup>2</sup>     | Real estate developer     | <b>100.0%</b> | 100.0%      |

(Forward)



| Entity Name                                                | Nature of Business                             | 2025   | 2024   |
|------------------------------------------------------------|------------------------------------------------|--------|--------|
| Cajel Realty Corporation (CRC) <sup>2</sup>                | Real estate developer                          | 100.0% | 100.0% |
| Crystal Ball Realty & Management, Inc. (CBRM) <sup>3</sup> | Real estate developer                          | 100.0% | 100.0% |
| Cloverleaf Holdings Corporation (CHC) <sup>3</sup>         | Real estate developer                          | 100.0% | 100.0% |
| Filinvest REIT Corp. (FILRT) <sup>4</sup>                  | Leasing                                        | 63.3%  | 51.1%  |
| Filinvest Asia Corporation (FAC)                           | Leasing                                        | 60.0%  | 60.0%  |
| Filinvest Cyberparks, Inc. (FCI)                           | Leasing                                        | 100.0% | 100.0% |
| Filinvest Clark Mimosa, Inc. (FCMI)                        | Leasing                                        | 100.0% | 100.0% |
| Festival Supermall, Inc. (FSI)                             | Property management                            | 100.0% | 100.0% |
| Filinvest Lifemalls Corporation (FLC)                      | Property management                            | 100.0% | 100.0% |
| Filinvest Lifemalls Mimosa, Inc. (FLMI)                    | Property management                            | 100.0% | 100.0% |
| Filinvest Lifemalls Tagaytay, Inc. (FLTI)                  | Property management                            | 100.0% | 100.0% |
| ProOffice Work Services, Inc. (ProOffice)                  | Property management                            | 100.0% | 100.0% |
| Property Specialist Resources, Inc. (Prosper)              | Property management                            | 100.0% | 100.0% |
| Co-Living Pro Managers Corp. (CPMC)                        | Property management                            | 100.0% | 100.0% |
| FSM Cinemas, Inc. (FSM Cinemas) <sup>5</sup>               | Theater operator                               | 60.0%  | 60.0%  |
| Philippine DCS Development Corporation (PDDC)              | District cooling systems, builder and operator | 60.0%  | 60.0%  |
| Timberland Sports and Nature Club, Inc. (TSNC)             | Recreational sports and nature club            | 98.0%  | 98.0%  |
| Nature Specialists, Inc. (NSI)                             | Recreational sports and nature club            | 75.0%  | 75.0%  |
| Leisurepro, Inc. (Leisurepro)                              | Marketing                                      | 100.0% | 100.0% |
| Proleads Philippines, Inc. (PPI)                           | Marketing                                      | 100.0% | 100.0% |
| Property Leaders International Limited (PLIL)              | Marketing                                      | 100.0% | 100.0% |
| Property Maximizer Professional Corp. (Promax)             | Marketing                                      | 100.0% | 100.0% |
| Realpros Philippines, Inc. (RPI)                           | Marketing                                      | 100.0% | 100.0% |
| FREIT Fund Managers, Inc. (FFMI)                           | Fund manager                                   | 100.0% | 100.0% |
| OurSpace Solutions, Inc. (OSI) <sup>6</sup>                | Coworking spaces                               | 70.0%  | 70.0%  |
| <b>Associates</b>                                          |                                                |        |        |
| Filinvest Alabang, Inc. (FAI)                              | Real estate developer and leasing              | 20.0%  | 20.0%  |
| Dreambuilders Pro, Inc. (DPI)                              | Construction management                        | 45.0%  | 45.0%  |
| Filinvest Business Services Corporation (FBSC)             | Business process outsourcing                   | 30.0%  | 30.0%  |
| Filinvest Mimosa, Inc. (FMI)                               | Leasing                                        | 47.5%  | 47.5%  |
| Pro-Excel Property Managers, Inc. (Pro-Excel)              | Property management                            | 47.5%  | 47.5%  |
| SharePro, Inc. (SPI)                                       | Management service                             | 45.0%  | 45.0%  |
| ProActive Professionals Corp. (ProActive)                  | Business process outsourcing                   | 40.0%  | 40.0%  |

1. FBCI is owned indirectly through FCGCC.
2. NPHI and CRC were acquired in 2023 through a share purchase agreement with Rizal Commercial Banking Corporation.
3. CBRM and CHC were acquired in previous years and were accounted for as asset acquisitions and not as business combination. Acquisition cost amounted to ₱80.06 million and ₱39.59 million for CBRM and CHC, respectively.
4. FLI's ownership interest in FILRT was reduced to 51.10% in 2024 mainly as a result of FLI's voluntary tender offer (see Note 27). In 2025, FLI's ownership interest in FILRT increased to 63.30%, through a tax-free property-for-share swap (see Notes 11 and 12).
5. FSM Cinemas is owned indirectly through FSI.
6. On August 2, 2023, a Subscription Agreement was executed to issue the 30 million common shares of OSI to KCI, resulting to FLI's 70.00% ownership in OSI.





### Investment Properties

Investment properties consist of commercial mall, land and other properties that are held for long term rental yields and capital appreciation and land held with undetermined future use. Investment properties, except for land, are carried at cost less accumulated depreciation and accumulated impairment losses, if any. Land is carried at cost less accumulated impairment losses, if any.

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

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

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

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

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

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

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

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

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

### Property and Equipment

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

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



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

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

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

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

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

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

#### Intangible Assets

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

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

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

#### Other Assets

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



### Value-added Tax (VAT)

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the parent company statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the parent company statement of financial position to the extent of the recoverable amount.

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

### Impairment of Nonfinancial Assets

The carrying values of investment and advances in subsidiaries and associates, property and equipment, investment properties and other nonfinancial assets are reviewed for impairment when events or changes in circumstances indicate the carrying values may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amounts, the assets or cash-generating units are written down to their recoverable amounts. The recoverable amount of the asset is the greater of fair value less cost of disposal and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. Impairment losses are recognized in the parent company statement of income.

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

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

### Revenue Recognition

#### *Revenue from Contract with Customers*

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



The Parent Company recognizes the difference between the consideration received from the customer and the transferred goods to the customer as contract asset in the parent company statement of financial position.

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

#### *Real estate sales*

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

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

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

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

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

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

#### *CUSA charges and air conditioning dues (included as part of 'Rental services')*

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

#### *Other dues*

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



*Theater and parking sales and snack bar sales* (included as part of ‘Rental services’)

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

*Cost of real estate sales*

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

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

Contract Balances

*Contract receivables*

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

*Contract assets*

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

*Contract liabilities*

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

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

*Costs to obtain contract* (Commission expenses)

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

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



#### *Contract fulfillment assets*

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

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

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

#### *Amortization, derecognition and impairment of contract fulfillment assets and capitalized costs to obtain a contract*

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

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

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

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

#### Other Revenue and Income Recognition

##### *Rental income*

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



*Income from forfeited reservations and collections*

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

*Interest Income*

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

*Other Income*

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

Cost and Expense Recognition

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

Retirement Costs

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

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

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

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

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

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

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



#### Termination benefits

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

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

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

#### Employee leave entitlement

Employee entitlements to annual leave are recognized as a liability when they are accrued to the employees. The undiscounted liability for leave expected to be settled wholly before twelve (12) months after the end of the annual reporting period is recognized for services rendered by employees up to the end of the reporting period.

#### Borrowing Costs

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

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

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

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

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





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

All other borrowing costs are expensed as incurred.

#### Foreign Currency-Denominated Transactions

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

#### Equity

##### *Common and preferred stock*

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

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

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

##### *Treasury stock*

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

##### *Retained earnings*

Retained earnings represent accumulated earnings of the Parent Company, and any other adjustments to it as required by other standards, less dividends declared. Retained earnings are further restricted for the payment of dividends to the extent of the cost of common shares held in treasury.

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



## Income Tax

### *Current income tax*

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

### *Deferred income tax*

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

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

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

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

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

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

## Leases

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

### *Parent Company as lessor*

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



*Parent Company as Lessee*

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

i) Right-of-use-assets

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

The Parent Company classifies its right-of-use assets within the same line item as that within which the corresponding underlying assets would be presented if they were owned. Unless the Parent Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognized right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Useful life of right-of-use on land ranges from twenty (20) to fifty (50) years.

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

ii) Lease liabilities

At the commencement date of the lease, the Parent Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Parent Company and payments of penalties for terminating a lease, if the lease term reflects the Parent Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

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



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

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

Segment Reporting

The Parent Company's operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Two (2) or more operating segments may be aggregated into a single operating segment if the segments have similar economic characteristics, and the segments are similar in each of the following respects: (a) the nature of the products and services; (b) the nature of the production processes; (c) the type or class of customer for their products and services; (d) the methods used to distribute their products or provide their services; and, (e) if applicable, the nature of the regulatory environment. The Parent Company's mall retail spaces and office leasing activities are treated as one segment. Financial information on business segments is presented in Note 4 to the parent company financial statements.

Provisions

A provision is recognized when the Parent Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Parent Company expects part or all of provision to be reimbursed or recovered, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

Contingencies

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

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**3. Significant Accounting Judgments, Assumptions and Estimates**

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

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



### Judgments

In the process of applying the Parent Company's accounting policies, management has made the following judgments which have the most significant effect on the amounts recognized in the parent company financial statements:

#### *Real estate revenue recognition*

a. Existence of a contract

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

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

b. Collectability

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

c. Revenue recognition method and measure of progress

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

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

#### *Evaluation of impairment on nonfinancial assets*

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

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



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

As of December 31, 2025 and 2024, management assessed that there are no impairment indicators on its nonfinancial assets that would lead to recognition of impairment losses.

#### *Contingencies*

In the normal course of business, the Parent Company is currently involved in various legal proceedings and assessments. The assessment of probability and estimate of the probable costs for the resolution of these claims have been developed in consultation with outside counsel handling the defense in these matters and based upon analysis of potential results. The Parent Company currently does not believe these proceedings will have material or adverse effect on the Parent Company's financial position and results of operations (see Note 31).

#### Use of Estimates and Assumptions

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

#### *Revenue recognition and measure of progress for real estate sales*

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

For the years ended December 31, 2025 and 2024, real estate sales amounted to ₱15.89 billion and ₱15.33 billion, respectively (see Note 5).

#### *Determining transaction price of sale of real estate*

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

For the years ended December 31, 2025 and 2024, financing component recognized on sale of real estate amounted to ₱170.09 million and ₱199.17 million, respectively (see Note 24).

#### *Evaluation of impairment of contract receivables and contract assets*

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



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

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

The information about the ECLs on the Parent Company's contract receivables and contract assets is disclosed in Note 7.

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

|                               | 2025              | 2024       |
|-------------------------------|-------------------|------------|
|                               | (In Thousands)    |            |
| Contract receivables (Note 7) | <b>₱1,703,345</b> | ₱2,178,282 |
| Contract assets (Note 5)      | <b>10,218,892</b> | 8,418,466  |

#### *Estimating NRV of real estate inventories*

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

As of December 31, 2025 and 2024, the carrying amount of real estate inventories amounted to ₱71.59 billion and ₱67.54 billion, respectively (see Note 9). No impairment losses were recognized since the costs are lower than NRV for the years ended December 31, 2025 and 2024.

#### *Recognition of deferred income tax assets*

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

As of December 31, 2025 and 2024, the Parent Company recognized gross deferred tax assets amounting to ₱4.31 billion and ₱1.85 billion, respectively (see Note 28).



#### 4. Segment Reporting

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

##### *Real Estate*

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

##### *Leasing*

This involves the operations of commercial, offices and industrial spaces located in various cities and municipalities, namely, Muntinlupa, Cavite, Calamba, Makati, Quezon City, Mandaluyong, Dumaguete and Cebu.

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

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

No operating segments have been aggregated to form the above reportable segments. Transfer prices between segments are based on rates agreed upon by the parties and have terms equivalent to transactions entered into with third parties.

For the years ended December 31, 2025 and 2024, there were no revenue transactions with a single external customer which accounted for ten percent (10.0%) or more of the total revenue from external customers.

The financial information about the financial position and results of operations of these business segments for the years ended December 31, 2025 and 2024 are summarized below.

|                                            | 2025                      |                       |                     |
|--------------------------------------------|---------------------------|-----------------------|---------------------|
|                                            | Real Estate<br>Operations | Leasing<br>Operations | Total               |
|                                            | (In Thousands)            |                       |                     |
| <b>Revenue</b>                             | <b>₱15,892,678</b>        | <b>₱3,818,714</b>     | <b>₱19,711,392</b>  |
| <b>Net income</b>                          | <b>₱4,542,367</b>         | <b>₱3,679,979</b>     | <b>₱8,222,346</b>   |
| <b>EBITDA</b>                              | <b>₱8,130,892</b>         | <b>₱6,132,518</b>     | <b>₱14,263,410</b>  |
| <b>Segment assets</b>                      | <b>₱117,447,668</b>       | <b>₱91,648,490</b>    | <b>₱209,096,158</b> |
| <b>Segment liabilities</b>                 | <b>₱73,885,986</b>        | <b>₱39,010,039</b>    | <b>₱112,896,025</b> |
| <b>Less deferred tax liabilities – net</b> | <b>4,550,991</b>          | <b>(422,766)</b>      | <b>4,128,225</b>    |
| <b>Net segment liabilities</b>             | <b>₱69,334,995</b>        | <b>₱39,432,805</b>    | <b>₱108,767,800</b> |
| <b>Cash flows provided by (used in):</b>   |                           |                       |                     |
| <b>Operating activities</b>                | <b>2,149,122</b>          | <b>1,531,878</b>      | <b>3,681,000</b>    |
| <b>Investing activities</b>                | <b>(510,785)</b>          | <b>(596,758)</b>      | <b>(1,107,543)</b>  |
| <b>Financing activities</b>                | <b>(869,148)</b>          | <b>(486,121)</b>      | <b>(1,355,269)</b>  |





|                                     | 2024                      |                       |              |
|-------------------------------------|---------------------------|-----------------------|--------------|
|                                     | Real Estate<br>Operations | Leasing<br>Operations | Total        |
|                                     | (In Thousands)            |                       |              |
| Revenue                             | ₱15,328,275               | ₱3,486,260            | ₱18,814,535  |
| Net income                          | ₱5,296,428                | ₱120,297              | ₱5,416,725   |
| EBITDA                              | ₱8,595,947                | ₱1,792,391            | ₱10,388,338  |
| Segment assets                      | ₱108,274,126              | ₱77,678,919           | ₱185,953,045 |
| Segment liabilities                 | ₱84,594,138               | ₱12,275,496           | ₱96,869,634  |
| Less deferred tax liabilities - net | 4,934,104                 | 61,893                | 4,995,997    |
| Net segment liabilities             | ₱79,660,034               | ₱12,213,603           | ₱91,873,637  |
| Cash flows provided by (used in):   |                           |                       |              |
| Operating activities                | 2,699,094                 | 862,616               | 3,561,710    |
| Investing activities                | (901,357)                 | (2,733,944)           | (3,635,301)  |
| Financing activities                | (3,433,072)               | 2,288,806             | (1,144,266)  |

The following table shows a reconciliation of the total earnings before interest and other finance charges, income taxes, depreciation and amortization (EBITDA) to total income before income tax in the parent company statements of income for the year:

|                                                     | 2025           | 2024        |
|-----------------------------------------------------|----------------|-------------|
|                                                     | (In Thousands) |             |
| EBITDA                                              | ₱14,263,410    | ₱10,388,338 |
| Depreciation and amortization (Notes 12, 13 and 15) | (1,662,733)    | (1,311,622) |
| Operating profit                                    | 12,600,677     | 9,076,716   |
| Interest and other finance charges (Note 24)        | (3,595,782)    | (2,706,779) |
| Income before income tax                            | ₱9,004,895     | ₱6,369,937  |

## 5. Revenue from Contracts with Customers

### Disaggregated Revenue Information

The Parent Company's disaggregation of each sources of revenue from contracts with customers are presented below:

|                                            | 2025               | 2024               |
|--------------------------------------------|--------------------|--------------------|
|                                            | (In Thousands)     |                    |
| <b>Real estate sales by market segment</b> |                    |                    |
| Medium income                              | ₱11,345,218        | ₱11,336,019        |
| Low affordable and affordable              | 2,763,988          | 1,863,213          |
| High-end and others                        | 1,117,637          | 1,460,119          |
| Socialized                                 | 665,835            | 668,924            |
|                                            | 15,892,678         | 15,328,275         |
| <b>Tenant dues</b>                         |                    |                    |
| Mall operations                            | 475,408            | 397,110            |
| Office leasing                             | 202,760            | 179,347            |
|                                            | 678,168            | 576,457            |
| <b>Rental and related services</b>         |                    |                    |
| Mall operations                            | 2,059,172          | 1,816,107          |
| Office leasing                             | 1,081,374          | 1,093,696          |
|                                            | 3,140,546          | 2,909,803          |
| <b>Total Revenue</b>                       | <b>₱19,711,392</b> | <b>₱18,814,535</b> |



As of December 31, 2025, contract balances is as follows:

|                      | <b>Current</b>    | <b>Noncurrent</b> | <b>Total</b>      |
|----------------------|-------------------|-------------------|-------------------|
|                      | (In Thousands)    |                   |                   |
| Contract receivables | <b>₱1,703,345</b> | <b>₱—</b>         | <b>1,703,345</b>  |
| Contract asset       | <b>6,403,891</b>  | <b>3,815,001</b>  | <b>10,218,892</b> |
| Contract liabilities | <b>477,242</b>    | <b>46,070</b>     | <b>523,312</b>    |

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

|                      | <b>Current</b>    | <b>Noncurrent</b> | <b>Total</b>      |
|----------------------|-------------------|-------------------|-------------------|
|                      | (In Thousands)    |                   |                   |
| Contract receivables | <b>₱2,178,282</b> | <b>₱—</b>         | <b>₱2,178,282</b> |
| Contract asset       | <b>5,770,069</b>  | <b>2,648,397</b>  | <b>8,418,466</b>  |
| Contract liabilities | <b>586,257</b>    | <b>22,249</b>     | <b>608,506</b>    |

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

Contract assets represent the right to consideration that was already delivered by the Parent Company in excess of the amount recognized as contract receivables. These are reclassified as contract receivables when monthly amortization of customer is due for collection.

In 2025 and 2024, the Parent Company entered into an Agreement for Purchase of Contract Assets with local banks. The banks agreed to buy the contract assets on a without recourse basis, and the Parent Company agreed to sell, assign, transfer and convey to the bank all its rights, titles, and interest in and to the contract assets. In 2025 and 2024, total proceeds from these transactions equivalent to the carrying value of the contract assets sold amounted to ₱15.14 billion and ₱11.69 billion, respectively.

Contract liabilities consist of collections from real estate customers which have not reached the equity threshold to qualify for revenue recognition and excess of collections over the good and services transferred based on percentage of completion. The movement in contract liability arise mainly from revenue recognition of completed performance obligations. The amount of revenue recognized in 2025 and 2024 from amounts included in contract liabilities at the beginning of the year amounted to ₱406.80 million and ₱450.27 million, respectively.

#### Performance Obligation

Information about the Parent Company's performance obligations are summarized below:

##### *Real estate sales*

The Parent Company entered into contracts to sell with one (1) identified performance obligation which is the sale of the real estate unit together with the services to transfer the title to the buyer upon full payment of contract price. The amount of consideration indicated in the contract to sell is fixed and has no variable consideration.

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



Payment commences upon signing of the purchase application form and the consideration is payable in cash or under various financing schemes entered with the customer. The financing scheme would include down payment of 20.00% to 30.00% of the contract price spread over a certain period (e.g., 1 to 2 years) at a fixed monthly payment with the remaining balance payable (a) in full at the end of the period either through cash or external financing; or (b) through in-house financing which ranges from 2 to 10 years with fixed monthly payment. The amount due for collection under the amortization schedule for each of the customer does not necessarily coincide with the progress of construction, which results in either a contract asset or contract liability.

After the delivery of the completed real estate unit, the Parent Company provides 1 year warranty to repair minor defects on the delivered house and lot and condominium unit. This is assessed by the Parent Company as a quality assurance warranty and not treated as a separate performance obligation.

The transaction price allocated to the remaining performance obligations (unsatisfied or partially satisfied) as at December 31, 2025 and 2024 amounted to ₱1.06 billion and ₱3.05 billion, respectively. Performance obligation for the transaction price amounting to ₱1.00 billion and ₱2.78 billion will be satisfied within 1 year as of December 31, 2025 and 2024, respectively.

The remaining performance obligations expected to be recognized within 1 year and in more than 1 year relate to the continuous development of the Parent Company's real estate projects. The Parent Company's mid-rise condominium units and high-rise condominium units are completed within three (3) and five (5) years, respectively, from start of construction while house and lots are expected to be completed within 12 months.

#### *Rental agreements*

The Parent Company entered into lease agreements for its mall retail spaces and office spaces with the following identified performance obligations: (a) lease of space; (b) provisioning of water and electricity; (c) provision of air-conditioning and CUSA services presented as tenant dues; and (d) administration fee. Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations are recognized when services are rendered. The tenant is required to settle within seven (7) to 20 days upon receipt of the bill. In case of delay in payments, a penalty of 3.00% to 36.00% per annum is charged for the amount due for the duration of delay. The lease arrangement would typically require a tenant to pay advance rental equivalent to 3 months and a security deposit equivalent to three 3 months rental to cover any breakages after the rental period, with the excess returned to the tenant.

#### Cost to Obtain Contracts and Contract Fulfillment Assets

As at December 31, the rollforward of the cost to obtain contract included in the other current assets is as follows:

|                                  | 2025             | 2024      |
|----------------------------------|------------------|-----------|
|                                  | (In Thousands)   |           |
| Balance at beginning of year     | <b>₱290,616</b>  | ₱367,514  |
| Additions                        | <b>475,087</b>   | 734,410   |
| Amortization (Note 23)           | <b>(662,346)</b> | (811,308) |
| Balance at end of year (Note 10) | <b>₱103,357</b>  | ₱290,616  |



For the years ended December 31, 2025 and 2024, additions to contract fulfillment costs amounted to ₱458.66 million and ₱732.07 million, respectively. Amortization of contract fulfillment costs amounted to ₱1.18 billion and ₱1.00 billion for the years ended December 31, 2025 and 2024, respectively, presented as part of selling and marketing expense in the parent company statement of income. Contract fulfillment assets is included as part of real estate inventories.

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

In determining the estimated amount of consideration, the Parent Company used the same principles as it does to determine the contract transaction price.

In line with the Parent Company's accounting policy, as set out in Note 2, if a contract or specific performance obligation exhibited marginal profitability or other indicators of impairment, judgement 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.

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## 6. Cash and Cash Equivalents

This account consists of:

|                  | 2025              | 2024       |
|------------------|-------------------|------------|
|                  | (In Thousands)    |            |
| Cash             | <b>₱2,115,508</b> | ₱1,535,425 |
| Cash equivalents | <b>1,082,209</b>  | 444,104    |
|                  | <b>₱3,197,717</b> | ₱1,979,529 |

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

Interest income earned on the Parent Company's cash and cash equivalents amounted to ₱117.65 million and ₱32.36 million in 2025 and 2024, respectively (see Note 24).

There is no restriction on the Parent Company's cash and cash equivalents as at December 31, 2025 and 2024.



## 7. Contract Receivables

This account consists of:

|                                                        | 2025              | 2024       |
|--------------------------------------------------------|-------------------|------------|
|                                                        | (In Thousands)    |            |
| Contract receivables                                   | <b>₱1,456,250</b> | ₱1,932,985 |
| Receivables from government and financial institutions | <b>247,095</b>    | 245,297    |
|                                                        | <b>₱1,703,345</b> | ₱2,178,282 |

Real estate sales contracts are collectible over varying periods within 2 to 10 years. The receivables arising from real estate sales are collateralized by the corresponding real estate properties sold. The Parent Company records any excess of progress work over the right to an amount of consideration that is unconditional (i.e., contract receivables) as contract assets (see Note 5).

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

Interest income recognized on contract receivables amounted to ₱170.09 million and ₱199.17 million in 2025 and 2024, respectively (see Note 24). Interest rates per annum on contract receivables range from 11.50% to 19.00% for these years.

The Parent Company has a mortgage insurance contract with Philippine Guarantee Corporation (PhilGuarantee), a government insurance company for a retail guaranty line. As of December 31, 2025 and 2024, the contracts (comprise of both contract receivables and contract assets) covered by the guaranty line amounted to ₱116.05 million and ₱193.57 million, respectively. As of December 31, 2025 and 2024, the remaining unutilized guaranty line amounts to ₱1.37 billion.

As of December 31, 2025 and 2024, no impairment losses were recognized from contract receivables.

## 8. Other Receivables

This account consists of:

|                                                  | 2025              | 2024       |
|--------------------------------------------------|-------------------|------------|
|                                                  | (In Thousands)    |            |
| Receivable from tenants                          | <b>₱940,125</b>   | ₱717,309   |
| Advances to officers and employees               | <b>481,103</b>    | 361,578    |
| Receivables from homeowners' associations (HOAs) | <b>267,340</b>    | 174,596    |
| Due from related parties (Note 20)               | <b>104,402</b>    | 128,912    |
| Others                                           | <b>215,983</b>    | 46,009     |
|                                                  | <b>2,008,953</b>  | 1,428,404  |
| Less: Allowance for ECLs                         | <b>30,613</b>     | 25,655     |
|                                                  | <b>₱1,978,340</b> | ₱1,402,749 |

“Receivables from tenants” represent charges to tenants for rentals and utilities normally collectible within fifteen (15) to 20 days from billing date.



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

“Receivables from HOAs” represent claims from the homeowners’ association of the Parent Company’s projects for the payment of the expenses on behalf of the association.

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

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

|                              | <b>2025</b>                         |                                  |                |
|------------------------------|-------------------------------------|----------------------------------|----------------|
|                              | <b>Receivables<br/>from tenants</b> | <b>Receivables<br/>from HOAs</b> | <b>Total</b>   |
|                              | (In Thousands)                      |                                  |                |
| Balance at beginning of year | <b>₱9,791</b>                       | <b>₱15,864</b>                   | <b>₱25,655</b> |
| Provision for ECLs           | <b>4,958</b>                        | <b>—</b>                         | <b>4,958</b>   |
| Balance at end of year       | <b>₱14,749</b>                      | <b>₱15,864</b>                   | <b>₱30,613</b> |

|                              | <b>2024</b>                         |                                  |                |
|------------------------------|-------------------------------------|----------------------------------|----------------|
|                              | <b>Receivables<br/>from tenants</b> | <b>Receivables<br/>from HOAs</b> | <b>Total</b>   |
|                              | (In Thousands)                      |                                  |                |
| Balance at beginning of year | <b>₱7,311</b>                       | <b>₱15,864</b>                   | <b>₱23,175</b> |
| Provision for ECLs           | <b>2,480</b>                        | <b>—</b>                         | <b>2,480</b>   |
| Balance at end of year       | <b>₱9,791</b>                       | <b>₱15,864</b>                   | <b>₱25,655</b> |

## 9. Real Estate Inventories

This account consists of:

|                                                  | <b>2025</b>        | <b>2024</b>        |
|--------------------------------------------------|--------------------|--------------------|
|                                                  | (In Thousands)     |                    |
| Real estate inventories - at cost                |                    |                    |
| Lots, condominium and residential units for sale | <b>₱47,271,312</b> | <b>₱43,396,341</b> |
| Land and land development                        | <b>24,316,153</b>  | <b>24,146,667</b>  |
|                                                  | <b>₱71,587,465</b> | <b>₱67,543,008</b> |

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

|                                               | <b>2025</b>        | <b>2024</b>        |
|-----------------------------------------------|--------------------|--------------------|
|                                               | (In Thousands)     |                    |
| Balance at beginning of year                  | <b>₱43,396,341</b> | <b>₱39,516,178</b> |
| Construction/development costs incurred       | <b>11,089,512</b>  | <b>10,457,108</b>  |
| Transferred from land and land development    | <b>458,662</b>     | <b>732,071</b>     |
| Transfer from investment properties (Note 12) | <b>—</b>           | <b>42,952</b>      |
| Cost of real estate sales                     | <b>(7,673,203)</b> | <b>(7,351,968)</b> |
| Balance at end of year                        | <b>₱47,271,312</b> | <b>₱43,396,341</b> |



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

|                                                                 | 2025               | 2024        |
|-----------------------------------------------------------------|--------------------|-------------|
|                                                                 | (In Thousands)     |             |
| Balance at beginning of year                                    | <b>₱24,146,667</b> | ₱24,130,641 |
| Site development and incidental costs                           | <b>1,037,829</b>   | 1,318,989   |
| Land acquisitions                                               | <b>80,021</b>      | 4,745       |
| Net transfers (Notes 11 and 12)                                 | <b>(489,702)</b>   | (575,637)   |
| Transferred to lots, condominium and residential units for sale | <b>(458,662)</b>   | (732,071)   |
| Balance at end of year                                          | <b>₱24,316,153</b> | ₱24,146,667 |

Borrowing costs capitalized as part of land and land development, where activities necessary to prepare it for its intended use is still ongoing amounted to ₱809.33 million and ₱766.21 million for the years ended December 31, 2025 and 2024, respectively. Capitalization rate is 6.25% and 5.47% in 2025 and 2024, respectively.

#### 10. Other Current Assets

This account consists of

|                                       | 2025              | 2024       |
|---------------------------------------|-------------------|------------|
|                                       | (In Thousands)    |            |
| Input taxes - net                     | <b>₱3,026,113</b> | ₱3,478,873 |
| Prepaid expenses                      | <b>517,936</b>    | 449,456    |
| Advances to contractors and suppliers | <b>456,795</b>    | 456,795    |
| Creditable withholding taxes          | <b>437,112</b>    | 1,860,456  |
| Construction materials and supplies   | <b>406,143</b>    | 405,656    |
| Cost to obtain contract (Note 5)      | <b>103,357</b>    | 290,616    |
| Short-term deposits                   | <b>45,995</b>     | 127,642    |
|                                       | <b>₱4,993,451</b> | ₱7,069,494 |

“Input taxes - net” pertain to VAT passed on from purchases of goods and services, net of output VAT arising from net receipts from sale of goods and services.

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

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

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

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

“Cost to obtain contract” include commissions paid to brokers relating to the sale of real estate inventories which did not qualify for revenue recognition.



“Short-term deposits” pertain to cash placements with maturity of more than 3 months up to 12 months and earn interest at prevailing market rates.

## 11. Investments and Advances in Subsidiaries and Associates

This account consists of:

|                                      | 2025           | 2024       |
|--------------------------------------|----------------|------------|
|                                      | (In Thousands) |            |
| Investments in subsidiaries at cost: |                |            |
| FILRT                                | ₱9,712,748     | ₱3,452,636 |
| FCMI                                 | 2,100,000      | 2,100,000  |
| GPRDI                                | 1,944,857      | 1,944,857  |
| FCI                                  | 1,750,000      | 1,750,000  |
| FLTI                                 | 871,250        | 871,250    |
| FAPF                                 | 863,414        | 863,414    |
| FCGCC                                | 775,550        | 765,550    |
| FAC                                  | 714,050        | 714,050    |
| NPHI                                 | 556,940        | 544,440    |
| FLC                                  | 517,195        | 517,195    |
| PDDC                                 | 210,000        | 210,000    |
| Homepro                              | 125,938        | 125,938    |
| CRC                                  | 88,818         | 88,818     |
| CBRM (Note 9)                        | 80,058         | 80,058     |
| OSI                                  | 70,000         | 70,000     |
| FFMI                                 | 50,000         | 50,000     |
| NSI                                  | 47,250         | 47,250     |
| CHC (Note 9)                         | 39,590         | 39,590     |
| CPMC                                 | 25,000         | 25,000     |
| PPI                                  | 20,000         | 20,000     |
| ProOffice                            | 17,163         | 17,163     |
| PLIL                                 | 14,854         | 14,854     |
| RPI                                  | 10,000         | 10,000     |
| FLMI                                 | 6,250          | 6,250      |
| TSNC                                 | 2,994          | 2,994      |
| FSI                                  | 1,250          | 1,250      |
| SDI                                  | 1,000          | 1,000      |
| Promax                               | 400            | 400        |
| Prosper                              | 100            | 100        |
| Leisurepro                           | 100            | 100        |
| Investments in associates at cost:   |                |            |
| FAI                                  | 800,000        | 800,000    |
| DPI                                  | 90,000         | 90,000     |
| FBSC                                 | 51,300         | 51,300     |
| FMI                                  | 37,829         | 37,829     |
| Pro-Excel                            | 28,462         | 28,462     |
| SPI                                  | 11,250         | 11,250     |
| ProActive                            | 10,000         | 10,000     |

(Forward)





|                                                    | 2025               | 2024        |
|----------------------------------------------------|--------------------|-------------|
|                                                    | (In Thousands)     |             |
| Investments in subsidiaries and associates at cost | <b>₱21,645,610</b> | ₱15,362,998 |
| Advances to subsidiaries and associates (Note 20)  | <b>11,497,523</b>  | 10,248,690  |
|                                                    | <b>33,143,133</b>  | 25,611,688  |
| Allowance for impairment loss                      | <b>(22,368)</b>    | (22,368)    |
|                                                    | <b>₱33,120,765</b> | ₱25,589,320 |

#### FILRT

On January 24, 2025, FLI's and FILRT's BOD approved the sale of FLI real property to FILRT under a tax-free property-for-share swap transaction in which FLI shall transfer its ownership over Festival Supermall Main Mall in favor of FILRT, in exchange for 1,626,003,316 primary common shares of FILRT at an issue price of ₱3.98 per share, with a total value of ₱6.26 billion. On March 5, 2025, the Parent Company and FILRT executed the Memorandum of Agreement and the Deed of Exchange. On May 27, 2025, the SEC issued the Certificate of Approval of Valuation for the Transaction and the related shares were issued on May 29, 2025. The transaction resulted to a gain on exchange amounting to ₱3.98 billion and reduced the noncontrolling interest in FILRT from 48.90% to 36.70%.

On December 11, 2024, the Parent Company settled its Capped Voluntary Tender Offer, which was filed on October 2, 2024. The Parent Company has reacquired a total of 1,866,000,000 common shares in exchange for 597,120,000 FILRT common shares. The shareholders were offered 0.32 FILRT shares for every 1.00 FLI shares tended. As a result of the voluntary tender offer, the Parent Company's interest in FILRT decreased to 51.10% and the costs of treasury shares amounted to ₱1.86 billion. The voluntary tender offer resulted in a gain amounting to ₱1.03 billion. (see Note 27).

#### FCGCC

In 2025, the Parent Company made an additional capital infusion of ₱10.00 million to FCGCC to support its operations and expansion.

In 2024, the Parent Company paid the subscription payable to FCGCC for 80 million preferred shares with a par value of ₱1.00 per share amounting to ₱80.00 million.

#### NPHI

In 2025, the Parent Company made an additional investment amounting to ₱12.50 million to support NPHI's operational and capital requirements.

#### FAI

FAI is involved primarily in the development of commercial buildings, residential condominiums and land. FAI is also involved in leasing of commercial real estate and marketing.

#### DPI

DPI is engaged in carrying on general construction business and/or project construction management for the Parent Company.

#### FBSC

FBSC (formerly Corporate Technologies, Inc.) is primarily involved in providing business process outsourcing services for the Parent Company.

#### FMI

In 2016, FMI was incorporated to enter into an agreement with Clark Development Corporation for the lease of the Mimosa Leisure Estate.



### Pro-Excel

Pro-Excel is engaged in the business of administration, maintenance and management of real estate-controlled development projects and subdivision projects.

### SPI

SPI handles the technical and project management services for the Parent Company.

### Pro-Active

ProActive was incorporated to provide the business process outsourcing services for the Parent Company.

The associates have no contingent liabilities outside of the ordinary course of business or capital commitments as at December 31, 2025 and 2024.

### *Cash dividends*

In 2025 and 2024, cash dividends received from FAC, FILRT, FAI, FAPI and FFMI amounted to ₱1.79 billion and ₱1.51 billion, respectively.

## 12. Investment Properties

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

|                                                  | 2025               |                            |                         |                          |                               |                    |
|--------------------------------------------------|--------------------|----------------------------|-------------------------|--------------------------|-------------------------------|--------------------|
|                                                  | Land               | Buildings and Improvements | Machinery and Equipment | Construction in Progress | Right-of-use assets (Note 14) | Total              |
|                                                  | (In Thousands)     |                            |                         |                          |                               |                    |
| <b>Cost</b>                                      |                    |                            |                         |                          |                               |                    |
| Balances at beginning of year                    | ₱14,999,921        | ₱24,544,547                | ₱379,324                | ₱23,027,031              | ₱4,330,546                    | ₱67,281,369        |
| Additions                                        | 196,226            | 485,601                    | 532                     | 2,091,498                | 11,048,495                    | 13,822,352         |
| Transfers/reclassifications (Notes 9, 11 and 13) | 489,702            | (5,125,590)                | (59,616)                | —                        | —                             | (4,695,504)        |
| <b>Balances at end of year</b>                   | <b>15,685,849</b>  | <b>19,904,558</b>          | <b>320,240</b>          | <b>25,118,529</b>        | <b>15,379,041</b>             | <b>76,408,217</b>  |
| <b>Accumulated Depreciation</b>                  |                    |                            |                         |                          |                               |                    |
| Balances at beginning of year                    | —                  | 4,524,374                  | 283,041                 | —                        | 803,101                       | 5,610,516          |
| Depreciation (Notes 21 and 22)                   | —                  | 1,083,053                  | 378                     | —                        | 348,453                       | 1,431,884          |
| Transfers/reclassifications (Note 9, 11 and 13)  | —                  | (2,895,858)                | (12,366)                | —                        | —                             | (2,908,224)        |
| <b>Balances at end of year</b>                   | <b>—</b>           | <b>2,711,569</b>           | <b>271,053</b>          | <b>—</b>                 | <b>1,151,554</b>              | <b>4,134,176</b>   |
| <b>Net Book Value</b>                            | <b>₱15,685,849</b> | <b>₱17,192,989</b>         | <b>₱49,187</b>          | <b>₱25,118,529</b>       | <b>₱14,227,487</b>            | <b>₱72,274,041</b> |

|                                 | 2024               |                            |                         |                          |                               |                    |
|---------------------------------|--------------------|----------------------------|-------------------------|--------------------------|-------------------------------|--------------------|
|                                 | Land               | Buildings and Improvements | Machinery and Equipment | Construction in Progress | Right-of-use assets (Note 14) | Total              |
|                                 | (In Thousands)     |                            |                         |                          |                               |                    |
| <b>Cost</b>                     |                    |                            |                         |                          |                               |                    |
| Balances at beginning of year   | ₱14,373,412        | ₱24,147,949                | ₱341,584                | ₱20,227,859              | ₱4,330,546                    | ₱63,421,350        |
| Additions                       | 170,520            | 479,593                    | 37,740                  | 2,799,172                | —                             | 3,487,025          |
| Reclassification (Note 9)       | 455,989            | (82,995)                   | —                       | —                        | —                             | 372,994            |
| <b>Balances at end of year</b>  | <b>14,999,921</b>  | <b>24,544,547</b>          | <b>379,324</b>          | <b>23,027,031</b>        | <b>4,330,546</b>              | <b>67,281,369</b>  |
| <b>Accumulated Depreciation</b> |                    |                            |                         |                          |                               |                    |
| Balances at beginning of year   | —                  | 3,744,948                  | 270,983                 | —                        | 660,830                       | 4,676,761          |
| Depreciation (Notes 21 and 22)  | —                  | 819,469                    | 12,058                  | —                        | 142,271                       | 973,798            |
| Reclassification (Note 9)       | —                  | (40,043)                   | —                       | —                        | —                             | (40,043)           |
| <b>Balances at end of year</b>  | <b>—</b>           | <b>4,524,374</b>           | <b>283,041</b>          | <b>—</b>                 | <b>803,101</b>                | <b>5,610,516</b>   |
| <b>Net Book Value</b>           | <b>₱14,999,921</b> | <b>₱20,020,173</b>         | <b>₱96,283</b>          | <b>₱23,027,031</b>       | <b>₱3,527,445</b>             | <b>₱61,670,853</b> |



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

Borrowing costs capitalized as part of investment properties amounted to ₱1.33 billion and ₱1.16 billion in 2025 and 2024, respectively. The capitalization rate used is 5.40% and 5.46% in 2025 and 2024, respectively.

The aggregate fair value of the Parent Company's investment properties amounted to ₱111.26 billion and ₱110.20 billion as of December 31, 2025 and 2024, respectively based on management appraisal updated using current and year-end values and assumptions. The fair value of investment properties was determined using the income approach based on discounted cash flow analysis. Under the income approach, all expected cash flows from the use of the assets were projected and discounted using the appropriate discount rate reflective of the market expectations.

Rental income from investment properties amounted to ₱3.45 billion and ₱3.34 billion in 2025 and 2024, respectively. Cost of rental services from investment properties amounted to ₱1.81 billion and ₱1.55 billion in 2025 and 2024, respectively (see Note 21).

### 13. Property and Equipment

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

|                                | 2025                                   |                               |                             |                           |                           |                             |            |
|--------------------------------|----------------------------------------|-------------------------------|-----------------------------|---------------------------|---------------------------|-----------------------------|------------|
|                                | Land,<br>Buildings and<br>Improvements | Machinery<br>and<br>Equipment | Transportation<br>Equipment | Furniture<br>and Fixtures | Leasehold<br>Improvements | Construction<br>in Progress | Total      |
|                                | (In Thousands)                         |                               |                             |                           |                           |                             |            |
| Cost                           |                                        |                               |                             |                           |                           |                             |            |
| Balances at beginning of year  | ₱724,767                               | ₱2,898,235                    | ₱235,680                    | ₱121,972                  | ₱81,531                   | ₱27,294                     | ₱4,089,479 |
| Additions                      | —                                      | 87,718                        | —                           | 15,454                    | 1,276                     | 90,304                      | 194,752    |
| Disposals                      | —                                      | (98,616)                      | (22,149)                    | —                         | —                         | —                           | (120,765)  |
| Transfers (Note 12)            | —                                      | (22,341)                      | (841)                       | (43,492)                  | —                         | —                           | (66,674)   |
| Balances at end of year        | 724,767                                | 2,864,996                     | 212,690                     | 93,934                    | 82,807                    | 117,598                     | 4,096,792  |
| Accumulated Depreciation       |                                        |                               |                             |                           |                           |                             |            |
| Balances at beginning of year  | 243,424                                | 926,052                       | 182,778                     | 100,106                   | 80,943                    | —                           | 1,533,303  |
| Depreciation (Notes 21 and 22) | 11,106                                 | 87,778                        | 3,007                       | 16,141                    | 1,143                     | —                           | 119,175    |
| Disposals                      | —                                      | —                             | (20,444)                    | —                         | —                         | —                           | (20,444)   |
| Transfers (Note 12)            | —                                      | (5,904)                       | (782)                       | (30,609)                  | —                         | —                           | (37,295)   |
| Balances at end of year        | 254,530                                | 1,007,926                     | 164,559                     | 85,638                    | 82,086                    | —                           | 1,594,739  |
| Net Book Value                 | ₱470,237                               | ₱1,857,070                    | ₱48,131                     | ₱8,296                    | ₱721                      | ₱117,598                    | ₱2,502,053 |

|                                | 2024                                   |                               |                             |                           |                           |                             |            |
|--------------------------------|----------------------------------------|-------------------------------|-----------------------------|---------------------------|---------------------------|-----------------------------|------------|
|                                | Land,<br>Buildings and<br>Improvements | Machinery<br>and<br>Equipment | Transportation<br>Equipment | Furniture<br>and Fixtures | Leasehold<br>Improvements | Construction<br>in Progress | Total      |
|                                | (In Thousands)                         |                               |                             |                           |                           |                             |            |
| Cost                           |                                        |                               |                             |                           |                           |                             |            |
| Balances at beginning of year  | ₱724,269                               | ₱2,821,713                    | ₱217,913                    | ₱103,474                  | ₱80,396                   | ₱21,586                     | ₱3,969,351 |
| Additions                      | 498                                    | 76,522                        | 17,767                      | 18,498                    | 1,135                     | 5,708                       | 120,128    |
| Balances at end of year        | 724,767                                | 2,898,235                     | 235,680                     | 121,972                   | 81,531                    | 27,294                      | 4,089,479  |
| Accumulated Depreciation       |                                        |                               |                             |                           |                           |                             |            |
| Balances at beginning of year  | 232,436                                | 745,337                       | 166,593                     | 74,614                    | 80,083                    | —                           | 1,299,063  |
| Depreciation (Notes 21 and 22) | 10,988                                 | 180,715                       | 16,185                      | 25,492                    | 860                       | —                           | 234,240    |
| Balances at end of year        | 243,424                                | 926,052                       | 182,778                     | 100,106                   | 80,943                    | —                           | 1,533,303  |
| Net Book Value                 | ₱481,343                               | ₱1,972,183                    | ₱52,902                     | ₱21,866                   | ₱588                      | ₱27,294                     | ₱2,556,176 |



## 14. Leases

The Parent Company entered into lease agreements for its mall retail spaces and office spaces with the following identified performance obligations: (a) lease of space, (b) provision of water and electricity, (c) provision of air conditioning and CUSA services and (d) administration fee.

Revenue from lease of space is recognized on a straight-line basis over the lease term while revenue for the remaining performance obligations is recognized when services are rendered. The tenant is required to settle within 7 to 20 days upon receipt of the bill. In case of delay in payments, a penalty of 3.0% to 36.0% per annum is charged for the amount due for the duration of delay. The lease arrangement would typically require a tenant to pay advance rental equivalent to 3 months and a security deposit equivalent to 3 months rental to cover any breakages after the rental period, with the excess returned to the tenant.

### *Parent Company as lessee*

The Parent Company has lease contracts for land. The Parent Company's obligations under its leases are secured by the lessor's title to the leased assets. The Parent Company has entered land lease arrangements with lease terms of between twenty-five (25) and 50 years. There are several leases that include extension option to lease the assets for additional 25 years based on mutual agreement of the parties.

On July 7, 2025, the Parent Company and FILRT entered into a Deed of Partial Assignment of Contract of Lease for the Festival Supermall Main Building (see Note 20). Additions to right-of-use asset and lease liability as a result of this transaction amounted to ₱11.05 billion in 2025.

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

| 2025                                  |                                       |                         |                    |
|---------------------------------------|---------------------------------------|-------------------------|--------------------|
|                                       | Investment<br>Properties<br>(Note 12) | BTO Rights<br>(Note 15) | Total              |
|                                       | (In Thousands)                        |                         |                    |
| <b>Cost</b>                           |                                       |                         |                    |
| Balances at beginning and end of year | ₱4,330,546                            | ₱86,383                 | ₱4,416,929         |
| Additions (Notes 11 and 33)           | 11,048,495                            | —                       | 11,048,495         |
|                                       | 15,379,041                            | 86,383                  | 15,465,424         |
| <b>Accumulated Depreciation</b>       |                                       |                         |                    |
| Balances at beginning of year         | 803,101                               | 14,240                  | 817,341            |
| Depreciation (Note 22)                | 348,453                               | 3,797                   | 352,250            |
| Balances at end of year               | 1,151,554                             | 18,037                  | 1,169,591          |
| <b>Net Book Value</b>                 | <b>₱14,227,487</b>                    | <b>₱68,346</b>          | <b>₱14,295,833</b> |

| 2024                                  |                                       |                         |                   |
|---------------------------------------|---------------------------------------|-------------------------|-------------------|
|                                       | Investment<br>Properties<br>(Note 12) | BTO Rights<br>(Note 15) | Total             |
|                                       | (In Thousands)                        |                         |                   |
| <b>Cost</b>                           |                                       |                         |                   |
| Balances at beginning and end of year | ₱4,330,546                            | ₱86,383                 | ₱4,416,929        |
| <b>Accumulated Depreciation</b>       |                                       |                         |                   |
| Balances at beginning of year         | 660,830                               | 10,443                  | 671,273           |
| Depreciation (Note 22)                | 142,271                               | 3,797                   | 146,068           |
| Balances at end of year               | 803,101                               | 14,240                  | 817,341           |
| <b>Net Book Value</b>                 | <b>₱3,527,445</b>                     | <b>₱72,143</b>          | <b>₱3,599,588</b> |



The Parent Company renewed its lease agreement with FILRT for the office space located in Alabang. The lease term is 10 years, renewable for another 5 years or 10 years upon mutual agreement by the parties.

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

|                                                                                                     | 2025              | 2024     |
|-----------------------------------------------------------------------------------------------------|-------------------|----------|
|                                                                                                     | (In Thousands)    |          |
| Depreciation expense of right-of-use assets<br>(included in cost of rental services) (Note 21)      | <b>₱352,250</b>   | ₱146,068 |
| Interest expense on lease liabilities (included in<br>interest and other finance charges) (Note 24) | <b>936,511</b>    | 432,222  |
| Rent expense on low value assets (included in<br>general and administrative expense) (Note 22)      | <b>62,874</b>     | 16,220   |
|                                                                                                     | <b>₱1,351,635</b> | ₱594,510 |

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

|                                            | 2025               | 2024       |
|--------------------------------------------|--------------------|------------|
|                                            | (In Thousands)     |            |
| Balances at beginning of year              | <b>₱5,134,906</b>  | ₱5,004,973 |
| Additions (Notes 11 and 33)                | <b>11,048,495</b>  | —          |
| Interest expense (Note 24)                 | <b>936,511</b>     | 432,222    |
| Payments                                   | <b>(640,801)</b>   | (302,289)  |
| Balances at end of year                    | <b>16,479,111</b>  | 5,134,906  |
| Lease liabilities - current portion        | <b>402,917</b>     | 175,650    |
| Lease liabilities - net of current portion | <b>₱16,076,194</b> | ₱4,959,256 |

The Parent Company also has certain lease for parking spaces considered as ‘low-value assets’. The Parent Company applies the lease of ‘low-value assets’ recognition exemptions for these leases.

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

|                                     | 2025              | 2024       |
|-------------------------------------|-------------------|------------|
|                                     | (In Thousands)    |            |
| 1 year                              | <b>₱825,027</b>   | ₱260,457   |
| more than 1 years to 2 years        | <b>866,279</b>    | 273,480    |
| more than 2 years to 3 years        | <b>909,593</b>    | 287,154    |
| more than 3 years to four (4) years | <b>955,072</b>    | 301,512    |
| more than 5 years                   | <b>40,343,841</b> | 18,180,236 |

*Parent Company as lessor*

As lessor, future minimum rental receivables under renewable operating leases as of December 31 are as follows:

|                                        | 2025              | 2024       |
|----------------------------------------|-------------------|------------|
|                                        | (In Thousands)    |            |
| Within 1 year                          | <b>₱1,906,937</b> | ₱954,910   |
| After 1 year but not more than 5 years | <b>4,321,771</b>  | 2,325,220  |
| After 5 years                          | <b>1,665,995</b>  | 1,087,594  |
|                                        | <b>₱7,894,703</b> | ₱4,367,724 |



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

Rental income recognized based on a percentage of the gross revenue of mall tenants included in “Rental services” account in the parent company statement of income amounted to ₱555.67 million and ₱465.21 million in 2025 and 2024, respectively.

## 15. Build-Transfer-Operate (BTO) Rights

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

The rollforward analysis of BTO rights as of December 31 follows:

|                                 | 2025              |                     |                   |
|---------------------------------|-------------------|---------------------|-------------------|
|                                 | BTO Rights        | Right-of-Use Assets | Total             |
|                                 | (In Thousands)    |                     |                   |
| <b>Cost</b>                     |                   |                     |                   |
| Balance at beginning of year    | ₱5,605,979        | ₱86,383             | ₱5,692,362        |
| Additions                       | 643,630           | —                   | 643,630           |
| Balance at end of year          | 6,249,609         | 86,383              | 6,335,992         |
| <b>Accumulated Amortization</b> |                   |                     |                   |
| Balance at beginning of year    | 476,662           | 14,240              | 490,902           |
| Depreciation (Note 22)          | 107,877           | 3,797               | 111,674           |
| Balance at end of year          | 584,539           | 18,037              | 602,576           |
| <b>Net Book Value</b>           | <b>₱5,665,070</b> | <b>₱68,346</b>      | <b>₱5,733,416</b> |

|                                 | 2024              |                     |                   |
|---------------------------------|-------------------|---------------------|-------------------|
|                                 | BTO Rights        | Right-of-Use Assets | Total             |
|                                 | (In Thousands)    |                     |                   |
| <b>Cost</b>                     |                   |                     |                   |
| Balance at beginning of year    | ₱5,213,490        | ₱86,383             | ₱5,299,873        |
| Additions                       | 392,489           | —                   | 392,489           |
| Balance at end of year          | 5,605,979         | 86,383              | 5,692,362         |
| <b>Accumulated Amortization</b> |                   |                     |                   |
| Balance at beginning of year    | 376,875           | 10,443              | 387,318           |
| Depreciation (Note 22)          | 99,787            | 3,797               | 103,584           |
| Balance at end of year          | 476,662           | 14,240              | 490,902           |
| <b>Net Book Value</b>           | <b>₱5,129,317</b> | <b>₱72,143</b>      | <b>₱5,201,460</b> |

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



Interest incurred and capitalized amounted to ₱142.64 million and ₱64.80 million in 2025 and 2024, respectively.

In 2025 and 2024, related amortization recognized as part of “Cost of rental services” amounted to ₱107.88 million and ₱99.79 million, respectively. Rental income amounting to ₱270.18 million and ₱145.38 million in 2025 and 2024, respectively, was recognized as part of “Revenue from rental services”. Tenant dues from BTO rights amounted to ₱97.54 million and ₱55.56 million in 2025 and 2024, respectively.

## 16. Other Noncurrent Assets

This account consists of:

|                                             | 2025              | 2024       |
|---------------------------------------------|-------------------|------------|
|                                             | (In Thousands)    |            |
| Advances to contractors and suppliers       | <b>₱1,043,208</b> | ₱1,677,273 |
| Receivables from joint venture partners     | <b>247,456</b>    | 256,914    |
| Investment in bonds                         | <b>150,000</b>    | 150,000    |
| Financial assets at FVOCI (Notes 29 and 30) | <b>15,535</b>     | 15,535     |
| Other assets                                | <b>330,474</b>    | 243,986    |
|                                             | <b>₱1,786,673</b> | ₱2,343,708 |

“Advances to contractors and suppliers” pertain to downpayments made by the Parent Company which are applied against future billings for development and construction contracts of investment properties and property and equipment.

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

“Investment in bonds” consist of a 5-year, non-interest bearing, Class A Senior Notes with a face amount of ₱150.00 million issued by a third party special purpose trust fund duly registered with the Bangko Sentral ng Pilipinas invested by the Parent Company on December 19, 2022.

“Financial assets at FVOCI” consist of quoted and unquoted shares of stocks. Unquoted investments in shares of stock include unlisted preferred shares in a public utility company which the Parent Company will continue to carry out as part of the infrastructure that it provides for its real estate development projects.

“Other assets” include advances to sellers for the purchase of land prior to issuance of Contract to Sell. These also include utility and security deposits.



## 17. Accounts Payable and Accrued Expenses

This account consists of:

|                                                          | 2025           |            |             | 2024       |            |             |
|----------------------------------------------------------|----------------|------------|-------------|------------|------------|-------------|
|                                                          | Current        | Noncurrent | Total       | Current    | Noncurrent | Total       |
|                                                          | (In Thousands) |            |             |            |            |             |
| Accounts payable                                         | ₱3,538,881     | ₱3,612,245 | ₱7,151,126  | ₱4,522,873 | ₱3,177,132 | ₱7,700,005  |
| Retention fees payable                                   | 1,977,721      | 1,009,989  | 2,987,710   | 1,895,114  | 883,074    | 2,778,188   |
| Accrued expenses                                         | 1,145,180      | —          | 1,145,180   | 1,054,044  | —          | 1,054,044   |
| Accrued interest in bonds and loans<br>(Notes 18 and 19) | 698,498        | —          | 698,498     | 298,881    | —          | 298,881     |
| Deposits from tenants                                    | 695,918        | 977,011    | 1,672,929   | 423,332    | 840,911    | 1,264,243   |
| Deposits for registration                                | 263,332        | 1,902,228  | 2,165,560   | 238,298    | 1,721,392  | 1,959,690   |
| Other payables                                           | 458,919        | 80,291     | 539,210     | 858,627    | 143,083    | 1,001,710   |
|                                                          | ₱8,778,449     | ₱7,581,764 | ₱16,360,213 | ₱9,291,169 | ₱6,765,592 | ₱16,056,761 |

“Accounts payable” include the outstanding balance of the costs of land acquired by the Parent Company and is payable on scheduled due dates or upon completion of certain requirements (see Note 9, 12 and 13). This account also includes amount payable to contractors and suppliers for the construction and development costs and operating expenses incurred by the Parent Company.

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

“Accrued expenses” pertain to various operating expenses incurred by the Parent Company in the course of business such as salaries and wages, unbilled construction cost related to ongoing projects, among others.

Accrued expenses account consists of:

|                           | 2025       | 2024       |
|---------------------------|------------|------------|
| Suppliers and contractors | ₱1,139,240 | ₱1,047,909 |
| Payroll                   | 4,675      | 5,172      |
| Others                    | 1,265      | 963        |
|                           | ₱1,145,180 | ₱1,054,044 |

“Deposits for registration” pertain to amounts collected from buyers for payment of registration of real estate properties.

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

“Other payables” pertain mainly to withholding taxes and liabilities to government agencies which are generally settled/earned within 12 months.





## 18. Loans Payable

This account consists of:

|                                        | 2025               | 2024        |
|----------------------------------------|--------------------|-------------|
|                                        | (In Thousands)     |             |
| Short term loans                       | <b>₱6,800,000</b>  | ₱1,200,000  |
| Long-term loans                        | <b>35,311,833</b>  | 32,585,804  |
| Developmental loans from local banks   | <b>42,111,833</b>  | 33,785,804  |
| Less: Unamortized transaction costs    | <b>215,931</b>     | 180,248     |
|                                        | <b>41,895,902</b>  | 33,605,556  |
| Less: Current portion of loans payable | <b>14,718,334</b>  | 6,330,910   |
| Long-term portion of loans payable     | <b>₱27,177,568</b> | ₱27,274,646 |

Developmental loans from local banks will mature on various dates up to 2027. These Peso-denominated loans bear floating interest rates, which are repriced quarterly, semi-annually or annually based on either 3-month, 6-month or 1-year Bloomberg Valuation (BVAL), plus margin, per annum, or fixed rates.

Additional loans availed by the Parent Company in 2025 and 2024 amounted to ₱16.65 billion and ₱31.02 billion, respectively. These include availment of short-term loans payable amounting to ₱8.65 billion and ₱11.17 billion in 2025 and 2024, respectively. Principal payments made in 2025 and 2024 amounted to ₱8.32 billion and ₱24.75 billion, respectively.

As of December 31, 2025 and 2024, short term loans payable, presented under current portion of loans payable amounted to ₱6.80 billion and ₱1.20 billion, respectively.

Interest incurred on these loans (gross of related capitalized borrowing costs) amounted to ₱2.76 billion and ₱1.89 billion in 2025 and 2024, respectively.

Amortization of transaction costs amounted to ₱69.16 million and ₱94.89 million in 2025 and 2024, respectively and included under “Interest and other financing charges” (see Note 24). Deferred finance charges for new loans during the year amounted to ₱104.84 million and ₱189.53 million in 2025 and 2024, respectively.

The agreements also provide for restrictions and requirements with respect to, among others, making distribution on its share capital; purchase, redemption or acquisition of any share of stock if it would materially and adversely affect the Parent Company’s ability to perform its obligations; sale or transfer and disposal of all or a substantial part of its capital assets; restrictions on use of funds; and entering into any partnership, merger, consolidation or reorganization.

The Parent Company’s loans payable are unsecured and no assets are held as collateral for these debts. As of December 31, 2025 and 2024, the Parent Company complied with these contractual agreements and has not been cited in default on its outstanding loan obligations.



## 19. Bonds Payable

This account consists of:

|                                        | 2025               | 2024        |
|----------------------------------------|--------------------|-------------|
|                                        | (In Thousands)     |             |
| Bonds payable                          | <b>₱33,170,400</b> | ₱36,095,400 |
| Less: Unamortized transaction costs    | <b>253,071</b>     | 238,813     |
|                                        | <b>32,917,329</b>  | 35,856,587  |
| Less: Current portion of bonds payable | <b>1,752,262</b>   | 14,815,659  |
| Long-term portion of bonds payable     | <b>₱31,165,067</b> | ₱21,040,928 |

- a. On December 4, 2014, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱7.00 billion comprising of ₱5.30 billion, 7-year fixed rate bonds with interest of 5.40% per annum due in 2021, and ₱1.70 billion, 10-year fixed rate bonds with interest of 5.64% per annum due in 2024. The Parent Company paid the remaining outstanding bonds payable amounting to ₱1.70 billion on December 4, 2024.
- b. On August 20, 2015, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.00 billion comprising of ₱7.00 billion, 7-year fixed rate bonds with interest of 5.36% per annum due in 2022, and ₱1.00 billion, 10-year fixed rate bonds with interest of 5.71% per annum due in 2025. The Parent Company paid the remaining balance amounting to ₱1.00 billion on August 20, 2025. As of December 31, 2024, ₱1.00 billion of the related bonds payable remain outstanding (nil as of December 31, 2025).
- c. On November 18, 2020, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱8.10 billion comprising of ₱6.34 billion, 3-year fixed rate bonds with interest of 3.34% per annum due in 2023, and ₱1.76 billion, 5.5-year fixed rate bonds with interest of 4.18% per annum due in 2026. As of December 31, 2025 and 2024, ₱1.76 billion of the related bonds payable remain outstanding.
- d. On December 21, 2021, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱10.0 billion comprising of ₱5.00 billion, 4-year fixed rate bonds with interest of 4.5300% due in 2025, and ₱5.00 billion, 6-year fixed rate bonds with interest of 5.2579% per annum due in 2027. The Parent Company paid the ₱5.00 billion bonds on December 22, 2025. Outstanding balance of the related bonds payable as of December 31, 2025 and 2024 amounted to ₱5.00 billion and ₱10.00 billion, respectively.
- e. On June 23, 2022, the Parent Company issued to the public unsecured fixed rate bonds with an aggregate principal amount of ₱11.90 billion, comprising of ₱8.925 billion, 3-year fixed rate bonds with interest of 5.3455% per annum due in 2025, and ₱2.975 billion, 5-year fixed rate bonds with interest of 6.4146% per annum due in 2027. The Parent Company paid the ₱8.925 billion bonds payable on June 23, 2025. Outstanding balance of the related bonds payable as of December 31, 2025 and 2024 amounted to ₱2.98 billion and ₱11.90 billion, respectively.
- f. On December 1, 2023, the Parent Company issued to the public unsecured 3.5-year fixed rate bonds with an interest rate of 6.9829% per annum and aggregate principal amount of ₱11.43 billion due in 2027. As of December 31, 2025 and 2024, outstanding balance from the related bonds payable amounted to ₱11.43 billion.



- g. On March 12, 2025, the Parent Company issued to the public unsecured fixed rate bonds with an aggregated principal amount of ₱12.00 billion, comprising of ₱6.785 billion, 5-year fixed rate bonds with interest of 6.2916% per annum due in 2030, ₱2.661 billion, 7-year fixed rate bonds with interest of 6.6550% per annum due in 2032, and ₱2.553 billion, 10-year fixed rate bonds with interest of 6.8312% due in 2035. As of December 31, 2025, outstanding balance of the related bonds payable amounted to ₱12.00 billion.

Interest incurred on these bonds (gross of related capitalized borrowing costs) amounted to ₱2.44 billion and ₱2.11 billion for the years ended December 31, 2025 and 2024, respectively. Payments made on these bonds amounted to ₱14.93 billion and ₱1.70 billion in 2025 and 2024, respectively.

Transactions costs capitalized amounted to ₱151.22 million in 2025 (nil in 2024). Accretion in 2025, and 2024 included as part of “Interest and other finance charges” amounted to ₱136.96 million and ₱88.08 million, respectively (see Note 24).

The Parent Company’s loans payable are unsecured and no assets are held as collateral for these debts. These bonds require the Parent Company to maintain certain financial ratios including debt-to-equity ratio ranging from 2.0x to 2.5x; minimum current ratio of 1.0x; and minimum debt service coverage ratio (DSCR) of 1.0x. As of December 31, 2025 and 2024, the Parent Company is not in breach of these covenants and has not been cited in default on any of its outstanding obligations.

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## 20. Related Party Transactions

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

All material Related Party Transactions (“RPT”) with a transaction value that reaches ten percent (10.00%) of the Parent Company’s total assets shall be subject to the review by the RPT Committee. Transactions that were entered into with an unrelated party that subsequently becomes a related party shall be excluded from the limits and approval of the Policy on Related Party Transactions (“Policy”). However, any renewal, change in the terms and conditions or increase in exposure level, related to these transactions after a non-related party becomes a related party, shall subject it to the provisions of the Policy.

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

Outstanding balances at year-end are unsecured, interest free and require settlement in cash, unless otherwise stated. There have been no guarantees provided or received for any related party receivables or payables.

As of December 31, 2025 and 2024 the Parent Company has made provision for impairment loss relating to amounts owed by related parties amounting to ₱22.37 million. This assessment is undertaken each financial year by examining the financial position of the related party and the market in which the related party operates.

Outstanding liabilities are unsecured and no impairment loss was recognized on any of the assets.



Significant related party transactions are as follows:.

| 2025                                                    |                   |                        |                                             |                          |      |
|---------------------------------------------------------|-------------------|------------------------|---------------------------------------------|--------------------------|------|
|                                                         | Amount/<br>Volume | Due from /<br>(Due to) | Terms                                       | Conditions               | Note |
| (In Thousands)                                          |                   |                        |                                             |                          |      |
| <b>Bank under common control of the ultimate parent</b> |                   |                        |                                             |                          |      |
| Cash and cash equivalents                               | ₱2,063,901        | ₱2,063,901             | 0.50% to 4.50%                              | No impairment            | (a)  |
| Interest income                                         | 115,016           | —                      |                                             |                          |      |
|                                                         | <b>2,178,917</b>  | <b>₱2,063,901</b>      |                                             |                          |      |
| <b>Dividend income</b>                                  |                   |                        |                                             |                          |      |
| Dividend income                                         | ₱1,786,313        | ₱1,786,313             | Non-interest                                | Unsecured, no impairment | (d)  |
| <b>Ultimate Parent</b>                                  | <b>₱310</b>       | <b>₱1,175</b>          | Non-interest bearing, collectible on demand | Unsecured, no impairment | (b)  |
| <b>Subsidiaries</b>                                     |                   |                        |                                             |                          |      |
| Share in common expenses and others                     | 1,141,699         | 8,707,114              | Non-interest bearing, collectible on demand | Unsecured, no impairment | (d)  |
| Development costs                                       | —                 | 1,647,436              | Non-interest bearing, collectible on demand | Unsecured, no impairment | (d)  |
| Payment for land acquisition                            | 15,465            | 746,892                | Non-interest bearing, collectible on demand | Unsecured, no impairment | (d)  |
| Rental income                                           | 264,157           | —                      | Non-interest bearing, collectible on demand | Unsecured, no impairment | (d)  |
| Dividend income                                         | 1,182,701         | —                      | Non-interest bearing, collectible on demand | Unsecured, no impairment | (d)  |
|                                                         |                   | <b>11,101,442</b>      |                                             |                          |      |
| <b>Associates</b>                                       |                   |                        |                                             |                          |      |
| Service fee                                             | 23,126            | 57,593                 | Non-interest bearing, collectible on demand | Unsecured, no impairment | (e)  |
| Rent income                                             | 891               | —                      | Non-interest bearing, collectible on demand | Unsecured, no impairment | (e)  |
| Share in common expenses and others                     | 84,008            | 338,488                | Non-interest bearing, collectible on demand | Unsecured, no impairment | (e)  |
|                                                         |                   | <b>396,081</b>         |                                             |                          |      |
| <b>Affiliates</b>                                       |                   |                        |                                             |                          |      |
| Share in common expenses                                | (24,819)          | 103,227                | Non-interest bearing, collectible on demand | Unsecured, no impairment | (f)  |
| Development cost (Note 12)                              | —                 | —                      | Non-interest bearing, collectible on demand | Unsecured, no impairment | (f)  |
| Due from related parties (Notes 8 and 11)               |                   | <b>₱11,601,925</b>     |                                             |                          |      |
| <b>Parent</b>                                           |                   |                        |                                             |                          |      |
| Share in group expenses                                 | ₱18,996           | (₱20,902)              | Non-interest bearing, collectible on demand | Unsecured, no impairment | (c)  |
| <b>Subsidiaries</b>                                     |                   |                        |                                             |                          |      |
| Share in common expenses                                | 975               | (117)                  | Non-interest bearing, collectible on demand | Unsecured, no impairment | (d)  |
| <b>Associate</b>                                        |                   |                        |                                             |                          |      |
| Share in common expenses                                | (52,221)          | (191,808)              | Non-interest bearing, collectible on demand | Unsecured, no impairment | (e)  |
| <b>Affiliates</b>                                       |                   |                        |                                             |                          |      |
| Share in other expenses                                 | 41,573            | (16,205)               | Non-interest bearing, collectible on demand | Unsecured, no impairment | (f)  |
| Due to related parties                                  |                   | <b>(₱229,032)</b>      |                                             |                          |      |



| 2024                                             |                   |                        |                                            |                             |      |
|--------------------------------------------------|-------------------|------------------------|--------------------------------------------|-----------------------------|------|
|                                                  | Amount/<br>Volume | Due from /<br>(Due to) | Terms                                      | Conditions                  | Note |
| (In Thousands)                                   |                   |                        |                                            |                             |      |
| Bank under common control of the ultimate parent |                   |                        |                                            |                             |      |
| Cash and cash equivalents                        | ₱1,577,058        | ₱1,577,058             | 0.50% to 4.50%                             | No impairment               | (a)  |
| Interest income                                  | 29,114            | —                      |                                            |                             |      |
|                                                  | 1,606,172         | ₱1,577,058             |                                            |                             |      |
| Dividend income                                  |                   |                        |                                            |                             |      |
| Dividend income                                  | ₱1,506,886        | ₱1,506,886             | Non-interest                               | Unrestricted, no impairment | (d)  |
| Ultimate Parent                                  | ₱268              | ₱866                   | Non-interest bearing collectible on demand | Unrestricted, no impairment | (b)  |
| Subsidiaries                                     |                   |                        |                                            |                             |      |
| Share in common expenses and others              | 1,674,161         | 7,583,496              | Noninterest-bearing, collectible on demand | Unsecured, no impairment    | (d)  |
| Development costs                                | 1,014,947         | 1,646,657              | Noninterest-bearing, collectible on demand | Unsecured, no impairment    | (d)  |
| Payment for land acquisition                     | 14,694            | 729,591                | Interest-bearing, collectible on demand    | Unsecured, no impairment    | (d)  |
| Rental income                                    | 282,648           | —                      | Interest-bearing, collectible on demand    | Unsecured, no impairment    | (d)  |
| Dividend income                                  | 1,249,161         | —                      | Noninterest-bearing, collectible on demand | Unsecured, no impairment    | (d)  |
|                                                  |                   | 9,959,744              |                                            |                             |      |
| Associates                                       |                   |                        |                                            |                             |      |
| Service fee                                      | 3,836             | 34,467                 | Noninterest-bearing, collectible on demand | Unsecured, no impairment    | (e)  |
| Rent income                                      | 1,297             | —                      | Noninterest-bearing, collectible on demand | Unsecured, no impairment    | (e)  |
| Share in common expenses and others              | (223,563)         | 254,479                | Noninterest-bearing, collectible on demand | Unsecured, no impairment    | (e)  |
|                                                  |                   | 288,946                |                                            |                             |      |
| Affiliates                                       |                   |                        |                                            |                             |      |
| Share in common expenses                         | 14,431            | 105,348                | Noninterest-bearing, collectible on demand | Unsecured, no impairment    | (f)  |
| Development costs (Note 12)                      | (30,195)          | 22,698                 | Noninterest-bearing, collectible on demand | Unsecured, no impairment    | (f)  |
| Due from related parties (Notes 8 and 11)        |                   | ₱10,377,602            |                                            |                             |      |
| Parent                                           |                   |                        |                                            |                             |      |
| Share in group expenses                          | (₱9,185)          | (₱39,897)              | Non-interest bearing payable on demand     | Unrestricted, no impairment | (c)  |
| Subsidiaries                                     |                   |                        |                                            |                             |      |
| Share in common expenses                         | 7,572             | (1,091)                | Non-interest bearing payable on demand     | Unrestricted, no impairment | (d)  |
| Associate                                        |                   |                        |                                            |                             |      |
| Share in common expenses and others              | (82,031)          | (139,587)              | Non-interest bearing payable on demand     | Unrestricted, no impairment | (e)  |
| Affiliates                                       |                   |                        |                                            |                             |      |
| Share in other expenses                          | (10,041)          | (57,780)               | Non-interest bearing payable on demand     | Unrestricted, no impairment | (f)  |
| Due to related parties                           |                   | (₱238,355)             |                                            |                             |      |



Significant transactions with related parties follow:

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

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

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

For the performance of the said services, the Parent Company will charge EW a service fee equivalent to a certain percentage of amounts actually received and collected. Although the Parent Company retains the contractual rights to receive cash flows from the contract receivables sold to EW, this will be subsequently distributed to EW under a 'pass-through arrangement'.

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

The Parent Company's plan assets in the form of cash equivalents amounting to ₱125.40 million and ₱196.60 million as of December 31, 2025 and 2024, respectively, are maintained with EW (see Note 26). The Parent Company also maintains cash and cash equivalents with EW.

*b. Transactions with ultimate parent (ALG)*

Transactions with the ultimate parent relates to sharing of common expenses.

*c. Transactions with parent company (FDC)*

The Parent Company charges FDC certain common and general administrative expenses paid by the Parent Company on its behalf.

*d. Transactions with subsidiaries*

Total payments made by the Parent Company in behalf of Homepro for land acquisition amounted to ₱15.5 million and ₱14.45 million in 2025 and 2024, respectively.

The Parent Company also has a Marketing Agency Agreement (the Marketing Agreement) each with its subsidiaries, Promax and Prosper whereby the subsidiaries are appointed as marketing agents to act for and on behalf of the Parent Company in promoting the marketing and sale of its middle-income and high-end real estate property development projects. In return, the Parent Company pays each subsidiary a marketing fee of a certain percentage of the net selling price, exclusive of commissions, discounts, value added tax and other government-imposed taxes and fees on all sales transactions closed by each subsidiary in accordance with the terms and conditions of the Marketing Agreement.

The Parent Company incurred service fees from PDDC for its district cooling system operations amounting to ₱49.40 million and ₱23.02 million in 2025 and 2024, respectively.



The Parent Company also charged the subsidiaries (i.e., PPI and Promax) for advances for working capital and for certain common expenses (i.e., rent) being paid by the Parent Company on its behalf.

The Parent Company charged FLTI for the development costs of Fora Mall.

In 2025 and 2024, cash dividends received from FAC, FILRT, FAPI, FFMI, PDDC, Promax and Pro-Office amounted to ₱1.18 billion and ₱1.25 billion, respectively.

*e. Transactions with associates*

Transactions with FAI include noninterest-bearing cash advances and various charges for rent, management fees, marketing fees, water services, share of expenses and commission charges.

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

On January 1, 2025, certain employees from finance, corporate and administration and human resources services of the Group were transferred to FBSC. FBSC then entered into a service partnership agreement, whereby the Parent Company shall engage and pay the services rendered by the latter. Amount charged in 2025 to the Parent Company amounted to ₱115.69 million, was recognized as part of 'General and administrative expenses' in parent company statement of income (see Note 22). This also includes retirement benefits of certain employees of FLI that were transferred to FBSC and the corresponding payable to FBSC was reported under "Accounts payable and accrued expenses" (see Note 17).

The Parent Company entered into service agreement with FBSC related to the management of the computer information system. Amount charged to the Parent Company in 2025 and 2024 amounted to ₱91.36 million and ₱59.46 million, respectively, was recognized as part of 'General and Administrative Expense' in the parent company statement of income (see Note 22).

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

Transactions with DPI are related to sharing of common expenses and non-interest bearing cash advances.

Pro-Excel and DPI leases its office space from FLI while SPI leases its office space from FILRT. Revenue earned is recorded as part of rental revenues in the Statements of Comprehensive Income in 2025 and 2024 (see Note 5). Outstanding receivables are recorded as part of other receivables in the parent company statements of financial position as of December 31, 2025 and 2024 (see Note 8).

*f. Transactions with affiliates*

In 2025, the Parent Company continued its long-term lease agreement with Quest Restaurants, Inc., an entity under common control, covering designated portions of the Grand Cenia Residences. The lease remains in effect under a contractual term of twenty (20) years, expiring in 2040.



Other transactions with affiliate relate to sharing of common expenses paid by the Parent Company on their behalf.

g. *Leases with related parties*

*Mall lease with FAI (as lessee)*

The Parent Company entered into a lease agreement with FAI on a portion of the land area occupied by the Festival Supermall and its Expansion. In 2025, the Parent Company and FILRT entered into a Deed of Partial Assignment of Contract of Lease for the Festival Supermall Main Building.

*Land lease with FAI (as lessee)*

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

*Land lease with FILRT (as lessor)*

On July 7, 2025, the Parent Company, as lessee, entered into Deed of Partial Assignment of Contract of Lease with FILRT, as lessor, covering the Festival Main Mall. The lease term will expire on September 30, 2056, and was executed in connection with the property-for-share swap between the Parent Company and FILRT, pursuant to which FILRT became the legal owner of Festival Main Mall.

*Land lease with FILRT (as lessee)*

The Parent Company entered into a lease agreement with FILRT on the location of the buildings currently leased to third parties by such subsidiary and on those still under construction. Rental is based on certain percentage of the subsidiary's gross rental income. On July 1, 2020, the Parent Company and FILRT amended their existing lease contract. The pertinent amendment provisions include the extension of the term of the lease for another 25 years and to set a minimum fixed rental rate.

*Key management personnel compensation*

The compensation of key management personnel consists of short-term employee salaries and benefits amounting to ₱85.92 million and ₱63.37 million in 2025 and 2024, respectively. Post-employment benefits of key management personnel amounted to ₱21.24 million and ₱11.70 million in 2025 and 2024, respectively.

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## 21. Cost of Rental Services

The account consists of:

|                                    | 2025              | 2024       |
|------------------------------------|-------------------|------------|
|                                    | (In Thousands)    |            |
| Depreciation (Notes 12, 13 and 14) | <b>₱1,034,709</b> | ₱779,959   |
| Mall operations                    | <b>880,478</b>    | ₱869,411   |
| Rentals (Note 20)                  | <b>5,120</b>      | 4,779      |
|                                    | <b>₱1,920,307</b> | ₱1,654,149 |





## 22. General and Administrative Expenses

The account consists of:

|                                              | 2025              | 2024       |
|----------------------------------------------|-------------------|------------|
|                                              | (In Thousands)    |            |
| Salaries, wages and employee benefits        | <b>₱708,295</b>   | ₱698,795   |
| Outside services                             | <b>490,628</b>    | 353,834    |
| Taxes and licenses                           | <b>392,142</b>    | 280,488    |
| Repairs and maintenance                      | <b>259,709</b>    | 280,876    |
| Depreciation (Notes 12 and 13)               | <b>211,614</b>    | 258,344    |
| Electronic data processing charges (Note 20) | <b>102,856</b>    | 66,062     |
| Entertainment, amusement and recreation      | <b>69,368</b>     | 77,408     |
| Transportation and travel                    | <b>68,413</b>     | 80,264     |
| Rent (Note 14)                               | <b>62,874</b>     | 16,220     |
| Communications, light and water              | <b>48,436</b>     | 45,336     |
| Retirement costs (Note 26)                   | <b>43,350</b>     | 54,234     |
| Insurance                                    | <b>26,557</b>     | 24,370     |
| Office supplies                              | <b>16,282</b>     | 13,034     |
| Others                                       | <b>79,709</b>     | 81,816     |
|                                              | <b>₱2,580,233</b> | ₱2,331,081 |

## 23. Selling and Marketing Expenses

The account consists of:

|                                     | 2025              | 2024       |
|-------------------------------------|-------------------|------------|
|                                     | (In Thousands)    |            |
| Brokers' commissions (Note 5)       | <b>₱662,346</b>   | ₱811,308   |
| Selling, advertising and promotions | <b>414,020</b>    | 465,144    |
| Salaries and wages                  | <b>134,605</b>    | 129,820    |
| Sales office direct costs           | <b>57,241</b>     | 59,180     |
| Others                              | <b>8,089</b>      | 4,153      |
|                                     | <b>₱1,276,301</b> | ₱1,469,605 |

## 24. Interest and Other Finance Charges

The following table shows the component of interest income and expense recognized in the parent company statement of income:

|                                    | 2025            | 2024     |
|------------------------------------|-----------------|----------|
|                                    | (In Thousands)  |          |
| Interest income on:                |                 |          |
| Contract receivables (Note 7)      | <b>₱170,085</b> | ₱199,170 |
| Cash and cash equivalents (Note 6) | <b>117,654</b>  | 32,364   |
| Others                             | <b>832</b>      | 1,047    |
|                                    | <b>₱288,571</b> | ₱232,581 |



|                                                                                               | 2025              | 2024       |
|-----------------------------------------------------------------------------------------------|-------------------|------------|
|                                                                                               | (In Thousands)    |            |
| Interest and other finance charges:                                                           |                   |            |
| Interest expense on loans and bonds payable,<br>net of interest capitalized (Notes 18 and 19) | <b>₱2,421,550</b> | ₱2,012,310 |
| Interest expense on lease liabilities (Note 14)                                               | <b>936,511</b>    | 432,222    |
| Amortization of transaction costs of loans<br>and bonds (Notes 18 and 19)                     | <b>236,859</b>    | 182,958    |
| Other finance charges (Note 26)                                                               | <b>862</b>        | 79,289     |
|                                                                                               | <b>₱3,595,782</b> | ₱2,706,779 |

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

## 25. Other Income

The account consists of:

|                                        | 2025            | 2024     |
|----------------------------------------|-----------------|----------|
|                                        | (In Thousands)  |          |
| Forfeited reservations and collections | <b>₱159,124</b> | ₱117,610 |
| Service fees                           | <b>53,729</b>   | 59,160   |
| Processing fees                        | <b>52,426</b>   | 114,864  |
| Foreign currency exchange gain - net   | <b>1,526</b>    | 1,048    |
| Others                                 | <b>14,509</b>   | 4,982    |
|                                        | <b>₱281,314</b> | ₱297,664 |

## 26. Retirement Costs

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

The retirement plan provides retirement benefits equivalent to 70% to 100% of the final monthly salary for every year of service. The funds are administered by the Parent Company's Treasurer under the supervision of the Board of Trustees of the Plan and is responsible for investment strategy of the plan.

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



|                                                                      | 2025                                        |                          |                                 |
|----------------------------------------------------------------------|---------------------------------------------|--------------------------|---------------------------------|
|                                                                      | Present value of defined benefit obligation | Fair value of plan asset | Net defined benefit liabilities |
|                                                                      | (In Thousands)                              |                          |                                 |
| Balance as at beginning of year                                      | ₱519,495                                    | ₱146,529                 | ₱372,966                        |
| Net benefit costs in profit or loss                                  |                                             |                          |                                 |
| Current service cost (Note 22)                                       | 43,350                                      | —                        | 43,350                          |
| Net interest (Note 24)                                               | 29,321                                      | 8,435                    | 20,886                          |
|                                                                      | 72,671                                      | 8,435                    | 64,236                          |
| Benefits paid                                                        | (25,262)                                    | (25,262)                 | —                               |
| Contribution                                                         | —                                           | 4,300                    | (4,300)                         |
| Net transfer                                                         | (46,582)                                    | —                        | (46,582)                        |
| Remeasurements loss (gain) in other comprehensive income             |                                             |                          |                                 |
| Actuarial changes arising from:                                      |                                             |                          |                                 |
| Experience adjustments                                               | (21,760)                                    | —                        | (21,760)                        |
| Change in financial assumptions                                      | (10,260)                                    | —                        | (10,260)                        |
| Return on plan assets, excluding amounts included in interest income | —                                           | (8,601)                  | 8,601                           |
|                                                                      | (32,020)                                    | (8,601)                  | (23,419)                        |
| Balance as at end of year                                            | ₱488,302                                    | ₱125,401                 | ₱362,901                        |

|                                                                      | 2024                                        |                          |                                 |
|----------------------------------------------------------------------|---------------------------------------------|--------------------------|---------------------------------|
|                                                                      | Present value of defined benefit obligation | Fair value of plan asset | Net defined benefit liabilities |
|                                                                      | (In Thousands)                              |                          |                                 |
| Balance as at beginning of year                                      | ₱390,565                                    | ₱60,687                  | ₱329,878                        |
| Net benefit costs in profit or loss                                  |                                             |                          |                                 |
| Current service cost (Note 22)                                       | 48,334                                      | (5,900)                  | 54,234                          |
| Net interest (Note 24)                                               | 29,457                                      | 350                      | 29,107                          |
|                                                                      | 77,791                                      | (5,550)                  | 83,341                          |
| Benefits paid                                                        | (9,758)                                     | (9,758)                  | —                               |
| Contribution                                                         | —                                           | 101,200                  | (101,200)                       |
| Net transfer                                                         | 239                                         | (3,705)                  | 3,944                           |
| Remeasurements loss (gain) in other comprehensive income:            |                                             |                          |                                 |
| Actuarial changes arising from:                                      |                                             |                          |                                 |
| Experience adjustments                                               | 10,999                                      | —                        | 10,999                          |
| Change in financial assumptions                                      | 49,659                                      | —                        | 49,659                          |
| Return on plan assets, excluding amounts included in interest income | —                                           | 3,655                    | (3,655)                         |
|                                                                      | 60,658                                      | 3,655                    | 57,003                          |
| Balance as at end of year                                            | ₱519,495                                    | ₱146,529                 | ₱372,966                        |

The Parent Company's plan assets comprise of cash equivalents with original maturities of 3 months or less from dates of placements and are subject to insignificant risk of changes in value. As of December 31, 2025 and 2024, these placements are with EW (see Note 20). As of December 31, 2025 and 2024, the carrying amount of the plan assets are carried at fair value.

In 2025, certain employees of FLI were transferred to FBSC. The related retirement benefits of these employees were also transferred with a corresponding payable to FBSC. As of December 31, 2025, the outstanding balance of the transferred retirement benefits amounted to ₱46.58 million. (see Note 20).

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



The assumptions used in determining pension obligation for the defined benefit plan are as follows:

|                         | 2025  | 2024  |
|-------------------------|-------|-------|
| Discount rate           | 6.44% | 6.20% |
| Future salary increases | 6.00% | 6.00% |

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

Management believes that pension obligation will not be sensitive to the salary rate increases because it is expected to be at the same level for the remaining life of the obligation. The sensitivity analyses below have been determined based on reasonably possible changes of the significant assumption on the DBO as of the end of the financial reporting period, assuming all other assumptions were held constant.

| Assumption    | Increase (Decrease) | Increase (decrease) on DBO |          |
|---------------|---------------------|----------------------------|----------|
|               |                     | 2025                       | 2024     |
| Salary rate   | +1%                 | ₱45,142                    | ₱52,957  |
|               | -1%                 | (39,455)                   | (45,967) |
| Discount rate | +1%                 | (38,959)                   | (45,487) |
|               | -1%                 | (45,398)                   | 53,390   |

Shown below is the maturity analysis of the undiscounted benefit payments of the Parent Company:

|                                      | 2025           | 2024    |
|--------------------------------------|----------------|---------|
|                                      | (In Thousands) |         |
| Less than 1 year                     | ₱122,878       | ₱90,030 |
| More than 1 year and up to 5 years   | 103,831        | 145,234 |
| More than 5 years and up to 10 years | 359,825        | 286,276 |

The Parent Company expects to contribute ₱100.00 million to its plan assets in the next 12 months.

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

## 27. Equity

### Capital Stock

The Parent Company's common and preferred shares as of December 31, 2025 and 2024 follow (amounts in thousands, except for par value figures):

|                               | Common      | Preferred  |
|-------------------------------|-------------|------------|
| Authorized shares             | ₱33,000,000 | ₱8,000,000 |
| Par value per share           | ₱1.00       | ₱0.01      |
| Issued and outstanding shares | 24,470,708  | 8,000,000  |
| Treasury shares               | 2,086,949   | —          |



In 2025 and 2024, there were no issuances of additional common shares.

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

|                              | 2025           |            | 2024      |            |
|------------------------------|----------------|------------|-----------|------------|
|                              | Shares         | Amount     | Shares    | Amount     |
|                              | (In Thousands) |            |           |            |
| <i>Common</i>                |                |            |           |            |
| Balance at beginning of year | 2,086,949      | ₱2,078,084 | 220,949   | ₱221,041   |
| Additions                    | —              | —          | 1,866,000 | 1,857,043  |
| Balance at end of year       | 2,086,949      | ₱2,078,084 | 2,086,949 | ₱2,078,084 |

#### Preferred Shares

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

In an Enabling Resolution approved and adopted by the BOD on October 6, 2006, it was clarified that the preferred shares are not convertible to common shares. In another Enabling Resolution approved and adopted by the BOD on January 5, 2007, the Board approved that preferred shares are entitled to cash dividend equal to 1.00% of the cash dividend declared and payable to common shares.

Thus, in a disclosure made by the Parent Company to the relevant government agency and regulatory body on January 18, 2007, it was clarified that the features of the issued and subscribed preferred shares, in addition to the features indicated in the Parent Company's Amended Articles of Incorporation so long as these features are not inconsistent with the Enabling Resolutions, are as follows: (i) voting, cumulative, and non-redeemable, (ii) par value is one centavo (₱0.01), (iii) entitled to cash dividend equal to 1.00% of the cash dividend declared and payable to common shares, and (iv) not convertible to common shares.

#### Treasury Shares

On December 20, 2007, the Parent Company's BOD approved the buyback of some of the issued shares of stock of the Parent Company over a period of 12 months up to an aggregate amount of ₱1.5 billion, in view of the strong financial performance of the Parent Company and the very large discrepancy that existed between the current share price and the net asset value of the Parent Company.

The Parent Company had acquired 220.95 million shares at total cost of ₱221.04 million in 2008.

On December 11, 2024, the Parent Company settled its Capped Voluntary Tender Offer, which was filed on October 2, 2024. The Parent Company has reacquired a total of 1,866,000,000 common shares in exchange for 597,120,000 FILRT common shares. The shareholders were offered



0.32 FILRT shares for every 1.00 FLI shares tended. As a result of the voluntary tender offer, the Parent Company's interest in FILRT decreased to 51.1% and the costs of treasury shares amounted to ₱1.86 billion (see Note 11).

There were no additional acquisitions in 2025. The retained earnings is restricted from dividend distribution to the extent of the cost of treasury shares.

#### Dividend Declarations

On April 24, 2025, the BOD of FLI approved the declaration and payment of cash dividends of ₱0.05 per share or a total of ₱1.12 billion for all common stockholders and ₱0.0005 per share or a total of ₱4.00 million for all preferred stockholders of record as of May 14, 2025 payable on May 23, 2025.

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

As of December 31, 2025 and 2024, the Parent Company's total dividends payable amounted to ₱21.41 million.

#### Retained Earnings

Retained earnings is further restricted for the payment of dividends to the extent of the cost of the shares held in treasury and deferred tax asset recognized in profit or loss as December 31, 2025 and 2024.

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

On November 11, 2025, FLI's BOD approved the reversal of the retained earnings appropriation amounting to ₱1.87 billion and appropriation of retained earnings amounting to ₱11.09 billion out of its unrestricted retained earnings as of December 31, 2024. The appropriations will cover the following:

#### (a) Appropriation for future capital expenditures:

| Project                    | Phase/Building | Amount<br>(In Thousands) | Estimated<br>Completion Date |
|----------------------------|----------------|--------------------------|------------------------------|
| The Glens                  | Phase 3        | ₱100,000                 | 2027                         |
| Futura Rise – Mactan       | Bldg. 1-8      | 340,000                  | 2028                         |
| Maldives                   | Bldg. G        | 656,000                  | 2029                         |
| Sorrento                   | Bldg. I        | 485,000                  | 2029                         |
| Futura Mira                | Phase 1        | 321,000                  | 2029                         |
| Centro Spatial             | Bldg. D        | 577,750                  | 2030                         |
| Sandia Homes               | Phase 2        | 433,350                  | 2030                         |
| Futura East                | Bldg. C        | 384,000                  | 2030                         |
| One Oasis Cebu             | Bldg. 6        | 2,257,000                | 2031                         |
| Futura Rise – San Rafael   | Bldg. 1-26     | 980,000                  | 2032                         |
| Futura Rise – Wood Estates | Bldg. 1-19     | 570,000                  | 2032                         |
|                            |                | ₱7,104,100               |                              |



- (b) Appropriation under special circumstances amounting to ₱3.98 billion arising from gain on exchange of Festival Supermall Main Building on property for share swap transaction with FILRT (see Note 11).

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

- (a) Appropriation for future capital expenditures:

| Project                   | Phase/Building  | Amount<br>(In Thousands) | Estimated<br>Completion Date |
|---------------------------|-----------------|--------------------------|------------------------------|
| Filinvest Innovation Park | Industrial      | ₱2,894,000               | 2029                         |
| Celestia                  | Phase 1         | 2,042,500                | 2029                         |
| Panglao Oasis             | Bldg. 2 - Elena | 800,000                  | 2029                         |
| Futura Rise Iloilo        | Bldgs. A – E    | 223,300                  | 2029                         |
| The Levels                | Catalina        | 2,560,300                | 2030                         |
| Cebu Ciudad               | Hotel           | 1,969,300                | 2030                         |
| Cebu Ciudad               | Office          | 1,523,600                | 2030                         |
| Belize Oasis              | Bella           | 821,700                  | 2030                         |
| Sydney Oasis              | Bldg. A         | 786,400                  | 2030                         |
| Futura Shores             | Bldg. A         | 625,000                  | 2030                         |
| Futura Monte              | Bldg. B         | 399,300                  | 2030                         |
|                           |                 | <b>₱14,645,400</b>       |                              |

- (b) Appropriation under special circumstances:

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

On November 6, 2024, the BOD approved the reversal of the 2020 appropriated retained earnings amounting to ₱5.00 billion considering completion of related capital expenditures.

### Capital Management

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

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

No changes were made in capital management objectives, policies or processes for the years ended December 31, 2025 and 2024.



The Parent Company monitors capital using interest-bearing debt-to-equity ratio, which is the long-term debt (loans payable and bonds payable) divided by total equity. The Parent Company's policy is to keep the debt-to-equity ratio not to exceed 2:1.

The following table shows how the Parent Company computes for its debt-to-equity ratio:

|                         | 2025               | 2024        |
|-------------------------|--------------------|-------------|
|                         | (In Thousands)     |             |
| Loans payable (Note 18) | <b>₱41,895,902</b> | ₱33,605,556 |
| Bonds payable (Note 19) | <b>32,917,329</b>  | 35,856,587  |
| Total long-term debt    | <b>74,813,231</b>  | 69,462,143  |
| Total equity            | <b>96,200,133</b>  | 89,083,411  |
| Debt-to-equity ratio    | <b>0.78 : 1.00</b> | 0.78 : 1.00 |

The Parent Company is subject to externally imposed capital requirements due to loan covenants (see Notes 18 and 19).

On August 12, 1993, the SEC approved the registration of 2.0 billion common shares with issue price of ₱5.25 per share.

On December 15, 2006, the SEC approved the registration of 3.7 billion common shares with issue price of ₱1.60 per share.

Below is the summary of the outstanding number of shares and holders of security as of December 31, 2025:

| Year                     | Number of<br>Shares Registered<br>(In Thousands) | Number of<br>Holders of<br>Securities<br>as of Year End |
|--------------------------|--------------------------------------------------|---------------------------------------------------------|
| January 1, 2024          | 24,249,759                                       | <b>5,606</b>                                            |
| Add/(deduct) movement    | (1,866,000)                                      | <b>(50)</b>                                             |
| December 31, 2024        | 22,383,759                                       | <b>5,556</b>                                            |
| Add/(deduct) movement    | —                                                | <b>(6)</b>                                              |
| <b>December 31, 2025</b> | <b>22,383,759</b>                                | <b>5,550</b>                                            |

*\*Exclusive of 2,086,949 treasury shares as of December 31, 2025 and 2024.*

## 28. Income Taxes

Provision for (benefit from) income tax consists of:

|          | 2025               | 2024     |
|----------|--------------------|----------|
|          | (In Thousands)     |          |
| Current  | <b>₱1,808,723</b>  | ₱152,573 |
| Deferred | <b>(1,026,199)</b> | 800,619  |
| Final    | <b>25</b>          | 20       |
|          | <b>₱782,549</b>    | ₱953,212 |

The Parent Company's current income tax pertains to RCIT in 2025 and MCIT in 2024.





The components of the Parent Company's net deferred income tax liabilities follow:

|                                                                                                                | 2025               | 2024        |
|----------------------------------------------------------------------------------------------------------------|--------------------|-------------|
|                                                                                                                | (In Thousands)     |             |
| Deferred income tax liabilities on:                                                                            |                    |             |
| Capitalized borrowing costs                                                                                    | <b>₱3,601,069</b>  | ₱3,040,846  |
| Excess of real estate revenue based on financial accounting policy over real estate revenue based on tax rules | <b>1,168,382</b>   | 2,739,695   |
| Right-of-use assets                                                                                            | <b>3,573,958</b>   | 899,897     |
| Others                                                                                                         | <b>94,282</b>      | 166,288     |
|                                                                                                                | <b>8,437,691</b>   | 6,846,726   |
| Deferred income tax assets on:                                                                                 |                    |             |
| Pension expense                                                                                                | <b>(132,468)</b>   | (122,725)   |
| Lease liabilities                                                                                              | <b>(4,119,778)</b> | (1,283,727) |
| Remeasurement loss on retirement plan                                                                          | <b>(2,912)</b>     | (8,767)     |
| Provision for expected credit loss                                                                             | <b>(7,653)</b>     | (8,123)     |
| MCIT                                                                                                           | —                  | (152,573)   |
| NOLCO                                                                                                          | —                  | (233,216)   |
| Others                                                                                                         | <b>(46,655)</b>    | (41,598)    |
|                                                                                                                | <b>(4,309,466)</b> | (1,850,729) |
|                                                                                                                | <b>₱4,128,225</b>  | ₱4,995,997  |

Provision for deferred income tax charged directly to other comprehensive income in 2025 and 2024 relating to remeasurement gain (loss) on defined benefit obligation amounted to ₱5.90 million and (₱14.25 million), respectively.

In 2025, The Parent Company's MCIT amounting to ₱152.57 million were claimed and offset against income tax due and the carryforward benefits of the NOLCO amounting to ₱932.86 million were claimed as credits against the RCIT.

The reconciliation of the income tax computed at the statutory tax rate to the actual provision for (benefit from) income tax follows:

|                                               | 2025              | 2024       |
|-----------------------------------------------|-------------------|------------|
|                                               | (In Thousands)    |            |
| Income tax at statutory rate                  | <b>₱2,251,224</b> | ₱1,592,484 |
| Adjustments for the income tax effect of:     |                   |            |
| Gain on property-for-share-swap               | <b>(995,783)</b>  | —          |
| Dividend income subjected to final tax        | <b>(446,578)</b>  | (376,722)  |
| Interest subjected to final tax               | <b>(29,414)</b>   | (8,091)    |
| Interest on HGC-enrolled contract receivables | <b>(3,265)</b>    | (4,819)    |
| Gain on voluntary tender offer                | —                 | (257,963)  |
| Income covered by PEZA (Note 32)              | —                 | 1,103      |
| Nondeductible expense and others              | <b>6,365</b>      | 7,220      |
|                                               | <b>₱782,549</b>   | ₱953,212   |



## 29. Fair Value Measurement

The following table sets forth the fair value hierarchy of the Parent Company's assets and liabilities measured at fair value and those for which fair values are required to be disclosed:

| 2025                                            |                |              |                                          |                                         |                                           |
|-------------------------------------------------|----------------|--------------|------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                 | Carrying Value | Total        | Fair Value                               |                                         |                                           |
|                                                 |                |              | Quoted Prices in active market (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|                                                 |                |              |                                          |                                         |                                           |
| (In Thousands)                                  |                |              |                                          |                                         |                                           |
| Assets measured at fair value                   |                |              |                                          |                                         |                                           |
| Financial assets at FVOCI                       |                |              |                                          |                                         |                                           |
| Quoted                                          | ₱6,458         | ₱6,458       | ₱6,458                                   | ₱–                                      | ₱–                                        |
| Unquoted                                        | 9,077          | 9,077        | –                                        | –                                       | 9,077                                     |
|                                                 | 15,535         | 15,535       | 6,458                                    | –                                       | 9,077                                     |
| Assets for which fair values are disclosed      |                |              |                                          |                                         |                                           |
| Non-financial assets                            |                |              |                                          |                                         |                                           |
| Investment properties                           | 58,046,554     | 111,259,027  | –                                        | –                                       | 111,259,027                               |
| Total assets                                    | ₱58,062,089    | ₱111,274,562 | ₱6,458                                   | ₱–                                      | ₱111,268,104                              |
| Liabilities for which fair values are disclosed |                |              |                                          |                                         |                                           |
| Financial liabilities at amortized cost         |                |              |                                          |                                         |                                           |
| Accounts payable and accrued expenses           |                |              |                                          |                                         |                                           |
| Accounts payable                                | ₱7,151,126     | ₱6,744,291   | ₱–                                       | ₱–                                      | ₱6,744,291                                |
| Retention fee payable                           | 2,987,710      | 2,817,736    | –                                        | –                                       | 2,817,736                                 |
| Deposits for registration                       | 2,165,560      | 2,042,359    | –                                        | –                                       | 2,042,359                                 |
|                                                 | 12,304,396     | 11,604,386   | –                                        | –                                       | 11,604,386                                |
| Lease liabilities (Note 14)                     | 16,479,111     | 23,364,812   | –                                        | –                                       | 23,364,812                                |
| Loans payable (Note 18)                         | 41,895,902     | 40,593,121   | –                                        | –                                       | 40,593,121                                |
| Bonds payable (Note 19)                         | 32,917,329     | 31,193,464   | –                                        | –                                       | 31,193,464                                |
|                                                 | ₱103,596,738   | ₱106,755,783 | ₱–                                       | ₱–                                      | ₱106,755,783                              |

| 2024                                            |                |              |                                          |                                         |                                           |
|-------------------------------------------------|----------------|--------------|------------------------------------------|-----------------------------------------|-------------------------------------------|
|                                                 | Carrying Value | Total        | Fair Value                               |                                         |                                           |
|                                                 |                |              | Quoted Prices in active market (Level 1) | Significant observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|                                                 |                |              |                                          |                                         |                                           |
| (In Thousands)                                  |                |              |                                          |                                         |                                           |
| Assets measured at fair value                   |                |              |                                          |                                         |                                           |
| Financial assets at FVOCI                       |                |              |                                          |                                         |                                           |
| Quoted                                          | ₱6,458         | ₱6,458       | ₱6,458                                   | ₱–                                      | ₱–                                        |
| Unquoted                                        | 9,077          | 9,077        | –                                        | –                                       | 9,077                                     |
|                                                 | 15,535         | 15,535       | 6,458                                    | –                                       | 9,077                                     |
| Assets for which fair values are disclosed      |                |              |                                          |                                         |                                           |
| Non-financial assets                            |                |              |                                          |                                         |                                           |
| Investment properties                           | 58,143,408     | 110,203,814  | –                                        | –                                       | 110,203,814                               |
| Total assets                                    | ₱58,158,943    | ₱110,219,349 | ₱6,458                                   | ₱–                                      | ₱110,212,891                              |
| Liabilities for which fair values are disclosed |                |              |                                          |                                         |                                           |
| Financial liabilities at amortized cost         |                |              |                                          |                                         |                                           |
| Accounts payable and accrued expenses           |                |              |                                          |                                         |                                           |
| Accounts payable                                | ₱7,700,005     | ₱7,174,280   | ₱–                                       | ₱–                                      | ₱7,174,280                                |
| Retention fee payable                           | 2,778,188      | 2,588,504    | –                                        | –                                       | 2,588,504                                 |
| Deposits for registration                       | 1,959,690      | 1,825,890    | –                                        | –                                       | 1,825,890                                 |
|                                                 | 12,437,883     | 11,588,674   | –                                        | –                                       | 11,588,674                                |
| Lease liabilities (Note 14)                     | 5,134,906      | 7,280,497    | –                                        | –                                       | 7,280,497                                 |
| Loans payable (Note 18)                         | 33,605,556     | 32,329,782   | –                                        | –                                       | 32,329,782                                |
| Bonds payable (Note 19)                         | 35,856,587     | 34,125,491   | –                                        | –                                       | 34,125,491                                |
|                                                 | ₱87,034,932    | ₱85,324,444  | ₱–                                       | ₱–                                      | ₱85,324,444                               |



The following methods and assumptions were used to estimate the fair value of each class of financial instrument for which it is practicable to estimate such value:

- *Cash and cash equivalents, due from and to related parties, other receivables and other assets:* Due to the short-term nature of these accounts, their fair values approximate their carrying amounts.
- *Contract receivables:* Estimated fair value of contract receivables is based on the discounted value of future cash flows using the prevailing interest rates for similar types of receivables as of the reporting date. Interest rate used was 11.5% to 19.0% in 2025 and 2024, respectively. Due to the short-term nature of receivables from government and financial institutions, carrying amounts approximate fair values.
- *Financial assets at FVOCI:* Fair values were determined using quoted market prices at reporting date. Fair value of unquoted equity securities is based on the latest selling price available.
- *Accounts payable and accrued expenses:* On accounts due within one year, the fair value of accounts payable and accrued expenses approximates the carrying amounts. On accounts due for more than a year, estimated fair value is based on the discounted value of future cash flows using the prevailing interest rates on loans and similar types of payables as of the reporting date. Interest rates used were 5.69% and 6.83% in 2025 and 2024.
- *Long-term debt:* Estimated fair value on debts with fixed interest and not subjected to quarterly repricing is based on the discounted value of future cash flows using the applicable interest rates for similar types of loans as of reporting date. Long-term debt subjected to quarterly repricing is not discounted since it approximates fair value. The discount rates used ranged from 4.21% to 5.50% and 4.21% to 5.50% as of December 31, 2025 and 2024.

During the years ended December 31, 2025 and 2024, 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.

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### 30. Financial Risk Management Objectives and Policies

The Parent Company's principal financial instruments are composed of cash and cash equivalents, contracts and other receivables, due from related parties, financial assets at FVOCI, accounts payable and accrued expenses, due to related parties and long-term debt (loans payable and bonds payable). The main purpose of these financial instruments is to raise financing for the Parent Company's operations.

The main objectives of the Parent Company's financial risk management are as follows:

- To identify and monitor such risks on an ongoing basis.
- To minimize and mitigate such risks; and,
- To provide a degree of certainty about costs.

The Parent Company's finance and treasury function operates as a centralized service for managing financial risks and activities, as well as providing optimum investment yield and cost-efficient funding for the Parent Company. The Parent Company's BOD reviews and approves the policies for managing each of these risks.



The policies are not intended to eliminate risk but to manage it in such a way that opportunities to create value for the stakeholders are achieved. The Parent Company's risk management takes place in the context of the normal business processes such as strategic planning, business planning, operational and support processes.

The main risks arising from the Parent Company's financial instruments are liquidity risk, credit risk and interest rate risk. The Parent Company also monitors the foreign currency arising from all financial instruments.

#### *Liquidity Risk*

Liquidity risk is defined as the risk that the Parent Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset.

The Parent Company seeks to manage its liquidity profile to be able to finance capital expenditures and service maturing debts. To cover its financing requirements, the Parent Company uses combination of internally generated funds and available long-term and short-term credit facilities.

As of December 31, 2025 and 2024, the Parent Company has ₱25.80 billion and ₱28.17 billion, respectively, of undrawn short-term credit lines, and ₱28.50 billion and ₱35.34 billion of undrawn long-term credit facilities, respectively.

As part of its liquidity risk management, the Parent Company regularly evaluates its projected and actual cash flows. It also continuously assesses conditions in the financial markets for opportunities to pursue fund raising activities, in case any requirements arise. Fund raising activities may include bank loans and capital market issues.

The tables below summarize the maturity profile of the Parent Company's other financial liabilities as of December 31, 2025 and 2024 based on contractual undiscounted payments.

|                                         | 2025           |                    |                    |                        |                    |              |              |
|-----------------------------------------|----------------|--------------------|--------------------|------------------------|--------------------|--------------|--------------|
|                                         | On demand      | Less than 3 months | 3 months to 1 year | > 1 year but < 3 years | 3 years to 5 years | Over 5 years | Total        |
|                                         | (In Thousands) |                    |                    |                        |                    |              |              |
| Financial Liabilities at Amortized Cost |                |                    |                    |                        |                    |              |              |
| Accounts payable and accrued expenses   |                |                    |                    |                        |                    |              |              |
| Accounts payable                        | ₱2,237,983     | ₱840,785           | ₱460,113           | ₱1,797,227             | ₱1,815,018         | ₱–           | ₱7,151,126   |
| Retention fees payable                  | 893,119        | 892,607            | 191,995            | 13,908                 | 634,852            | 361,229      | 2,987,710    |
| Deposits for registration               | –              | 638                | 262,694            | 964,571                | 379,925            | 557,732      | 2,165,560    |
| Accrued expenses                        | 1,145,180      | –                  | –                  | –                      | –                  | –            | 1,145,180    |
| Accrued interest                        | 698,498        | –                  | –                  | –                      | –                  | –            | 698,498      |
|                                         | 4,974,780      | 1,734,030          | 914,802            | 2,775,706              | 2,829,795          | 918,961      | 14,148,074   |
| Due to related parties                  | 229,032        | –                  | –                  | –                      | –                  | –            | 229,032      |
| Loans payable                           | –              | 4,328,346          | 12,985,039         | 14,689,374             | 11,434,577         | 6,887,532    | 50,324,868   |
| Bonds payable                           | –              | 983,576            | 2,950,728          | 21,971,542             | 8,033,487          | –            | 33,939,333   |
| Lease liabilities                       | –              | 206,256            | 618,771            | 1,775,872              | 955,072            | 40,343,841   | 43,899,812   |
|                                         | ₱5,203,812     | ₱7,252,208         | ₱17,469,340        | ₱41,212,494            | ₱23,252,931        | ₱48,150,334  | ₱142,541,119 |



|                                         | 2024           |                    |                    |                        |                    |              |              |
|-----------------------------------------|----------------|--------------------|--------------------|------------------------|--------------------|--------------|--------------|
|                                         | On demand      | Less than 3 months | 3 months to 1 year | > 1 year but < 3 years | 3 years to 5 years | Over 5 years | Total        |
|                                         | (In Thousands) |                    |                    |                        |                    |              |              |
| Financial Liabilities at Amortized Cost |                |                    |                    |                        |                    |              |              |
| Accounts payable and accrued expenses   |                |                    |                    |                        |                    |              |              |
| Accounts payable                        | P2,860,258     | P1,074,567         | P588,048           | P1,580,741             | P1,596,391         | P–           | P7,700,005   |
| Retention fees payable                  | 855,814        | 855,324            | 183,976            | 12,160                 | 555,077            | 315,837      | 2,778,188    |
| Deposits for registration               | –              | 577                | 237,721            | 872,874                | 343,807            | 504,711      | 1,959,690    |
| Accrued expenses                        | 1,054,044      | –                  | –                  | –                      | –                  | –            | 1,054,044    |
| Accrued interest                        | 298,881        | –                  | –                  | –                      | –                  | –            | 298,881      |
|                                         | 5,068,997      | 1,930,468          | 1,009,745          | 2,465,775              | 2,495,275          | 820,548      | 13,790,808   |
| Due to related parties                  | 238,355        | –                  | –                  | –                      | –                  | –            | 238,355      |
| Loans payable                           | –              | 2,024,543          | 6,073,630          | 13,855,959             | 10,995,704         | 9,015,817    | 41,965,653   |
| Bonds payable                           | –              | 4,190,002          | 12,570,006         | 23,156,497             | –                  | –            | 39,916,505   |
| Lease liabilities                       | –              | 65,114             | 195,343            | 560,634                | 301,512            | 18,180,236   | 19,302,839   |
|                                         | P5,307,352     | P8,210,127         | P19,848,724        | P40,038,865            | P13,792,491        | P28,016,601  | P115,214,160 |

The tables below summarize the maturity profile of the Parent Company's financial assets and contract assets held to manage liquidity as of December 31, 2025 and 2024:

|                                                        | 2025           |                    |                    |                        |                    |              |             |
|--------------------------------------------------------|----------------|--------------------|--------------------|------------------------|--------------------|--------------|-------------|
|                                                        | On demand      | Less than 3 months | 3 months to 1 year | > 1 year but < 3 years | 3 years to 5 years | Over 5 years | Total       |
|                                                        | (In Thousands) |                    |                    |                        |                    |              |             |
| Financial Assets at Amortized Cost                     |                |                    |                    |                        |                    |              |             |
| Cash and cash equivalents                              |                |                    |                    |                        |                    |              |             |
| Cash on hand and in banks                              | ₱2,115,508     | ₱–                 | ₱–                 | ₱–                     | ₱–                 | ₱–           | ₱2,115,508  |
| Cash equivalents                                       | –              | 1,082,209          | –                  | –                      | –                  | –            | 1,082,209   |
| Contract receivables                                   |                |                    |                    |                        |                    |              |             |
| Contract receivables                                   | 1,456,250      | –                  | –                  | –                      | –                  | –            | 1,456,250   |
| Receivables from government and financial institutions | 247,095        | –                  | –                  | –                      | –                  | –            | 247,095     |
| Other receivables                                      |                |                    |                    |                        |                    |              |             |
| Receivable from tenants-net                            | 940,125        | –                  | –                  | –                      | –                  | –            | 940,125     |
| Due from related parties                               | 104,402        | –                  | –                  | –                      | –                  | –            | 104,402     |
| Investment in Bonds                                    | 150,000        | –                  | –                  | –                      | –                  | –            | 150,000     |
| Receivable from HOAs-net                               | 267,340        | –                  | –                  | –                      | –                  | –            | 267,340     |
| Others                                                 | 215,983        | –                  | –                  | –                      | –                  | –            | 215,983     |
| Short-term deposits                                    | –              | –                  | 45,995             | –                      | –                  | –            | 45,995      |
|                                                        | 5,496,703      | 1,082,209          | 45,995             | –                      | –                  | –            | 6,624,907   |
| Financial Assets at FVOCI                              |                |                    |                    |                        |                    |              |             |
| Investments in shares of stocks:                       |                |                    |                    |                        |                    |              |             |
| Quoted                                                 | –              | –                  | –                  | 6,458                  | –                  | –            | 6,458       |
| Unquoted                                               | –              | –                  | –                  | 9,077                  | –                  | –            | 9,077       |
|                                                        | –              | –                  | –                  | 15,535                 | –                  | –            | 15,535      |
| Total financial assets                                 | 5,496,703      | 1,082,209          | 45,995             | 15,535                 | –                  | –            | 6,640,442   |
| Contract assets                                        | –              | 1,600,974          | 4,802,917          | 2,655,700              | 667,146            | 492,155      | 10,218,892  |
|                                                        | ₱5,496,703     | ₱2,683,183         | ₱4,848,912         | ₱2,671,235             | ₱667,146           | ₱492,155     | ₱16,859,334 |

|                                                        | 2024           |                    |                    |                        |                    |              |             |
|--------------------------------------------------------|----------------|--------------------|--------------------|------------------------|--------------------|--------------|-------------|
|                                                        | On demand      | Less than 3 months | 3 months to 1 year | > 1 year but < 3 years | 3 years to 5 years | Over 5 years | Total       |
|                                                        | (In Thousands) |                    |                    |                        |                    |              |             |
| Financial Assets at Amortized Cost                     |                |                    |                    |                        |                    |              |             |
| Cash and cash equivalents                              |                |                    |                    |                        |                    |              |             |
| Cash on hand and in banks                              | ₱1,535,425     | ₱—                 | ₱—                 | ₱—                     | ₱—                 | ₱—           | ₱ 1,535,425 |
| Cash equivalents                                       | —              | 444,104            | —                  | —                      | —                  | —            | 444,104     |
| Contract receivables                                   |                |                    |                    |                        |                    |              |             |
| Contract receivables                                   | 1,932,985      | —                  | —                  | —                      | —                  | —            | 1,932,985   |
| Receivables from government and financial institutions | 245,297        | —                  | —                  | —                      | —                  | —            | 245,297     |
| Other receivables                                      |                |                    |                    |                        |                    |              |             |
| Receivable from tenants-net                            | 717,309        | —                  | —                  | —                      | —                  | —            | 717,309     |
| Due from related parties                               | 128,912        | —                  | —                  | —                      | —                  | —            | 128,912     |
| Investment in Bonds                                    | 150,000        | —                  | —                  | —                      | —                  | —            | 150,000     |
| Receivable from HOAs-net                               | 174,596        | —                  | —                  | —                      | —                  | —            | 174,596     |
| Others                                                 | 46,009         | —                  | —                  | —                      | —                  | —            | 46,009      |
| Short-term deposits                                    | —              | —                  | 127,642            | —                      | —                  | —            | 127,642     |
|                                                        | 4,930,533      | 444,104            | 127,642            | —                      | —                  | —            | 5,502,279   |

(Forward)



|                                  | 2024           |                       |                       |                           |                       |                 |             |
|----------------------------------|----------------|-----------------------|-----------------------|---------------------------|-----------------------|-----------------|-------------|
|                                  | On demand      | Less than<br>3 months | 3 months<br>to 1 year | > 1 year but<br>< 3 years | 3 years to<br>5 years | Over<br>5 years | Total       |
|                                  | (In Thousands) |                       |                       |                           |                       |                 |             |
| Financial Assets at FVOCI        |                |                       |                       |                           |                       |                 |             |
| Investments in shares of stocks: |                |                       |                       |                           |                       |                 |             |
| Quoted                           | –              | –                     | –                     | 6,458                     | –                     | –               | 6,458       |
| Unquoted                         | –              | –                     | –                     | 9,077                     | –                     | –               | 9,077       |
|                                  | –              | –                     | –                     | 15,535                    | –                     | –               | 15,535      |
| Total financial assets           | 4,930,533      | 444,104               | 127,642               | 15,535                    | –                     | –               | 5,517,814   |
| Contract assets                  | –              | 1,442,518             | 4,327,551             | 1,843,603                 | 463,137               | 341,657         | 8,418,466   |
|                                  | P4,930,533     | P1,886,622            | P4,455,193            | P1,859,138                | P463,137              | P341,657        | P13,936,280 |

### Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Parent Company is exposed to credit risk from its operating activities, primarily for its contract receivables and other receivables.

It is the Parent Company's policy that buyers who wish to avail of the in-house financing scheme be subjected to credit verification procedures. Receivable balances are being monitored on a regular basis and subjected to appropriate actions to manage credit risk. Moreover, as discussed in Note 7, the Parent Company has a mortgage insurance contract with PhilGuarantee for a retail guaranty line.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. Title of the real estate property is only transferred to the customer if the consideration had been fully paid. In case of default, after enforcement activities, the Parent Company has the right to cancel the sale and enter into another contract to sell to another customer after certain proceedings (e.g. grace period, referral to legal, cancellation process, reimbursement of previous payments) had been completed. Given this, based on the experience of the Parent Company, the maximum exposure to credit risk at the reporting date is nil considering that fair value less cost to repossess of the real estate projects is higher than the exposure at default. The Parent Company evaluates the concentration of risk with respect to trade receivables and contract assets as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

An impairment analysis is performed at each reporting date using the vintage model to measure expected credit losses. The probability of default rates are based groupings of various customer segments with similar loss patterns (i.e., by market segment and collateral type). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

Set out below is the information about the credit risk exposure on the Parent Company's contract receivables and contract assets using a provision matrix:

|                                                     | 2025        |            |                   |                  |            |                |
|-----------------------------------------------------|-------------|------------|-------------------|------------------|------------|----------------|
|                                                     | Total       | Socialized | Low<br>Affordable | Middle<br>Income | High-end   |                |
|                                                     |             |            |                   |                  |            | (In Thousands) |
| Expected credit loss                                | P–          | P–         | P–                | P–               | P–         | P–             |
| Expected credit loss rate                           | 0%          | 0%         | 0%                | 0%               | 0%         | 0%             |
| Estimated total gross carrying<br>amount at default | P11,922,237 | P1,156,665 | P423,633          | P4,474,610       | P5,276,119 | P591,210       |



|                                                  | 2024           |            |                |            |               |          |
|--------------------------------------------------|----------------|------------|----------------|------------|---------------|----------|
|                                                  | Total          | Socialized | Low Affordable | Affordable | Middle Income | High-end |
|                                                  | (In Thousands) |            |                |            |               |          |
| Expected credit loss                             | P–             | P–         | P–             | P–         | P–            | P–       |
| Expected credit loss rate                        | 0%             | 0%         | 0%             | 0%         | 0%            | 0%       |
| Estimated total gross carrying amount at default | ₱10,596,748    | ₱998,096   | ₱927,492       | ₱3,333,569 | ₱4,345,773    | ₱991,818 |

With respect to credit risk arising from the other financial assets of the Parent Company, which comprise cash and cash equivalents and financial assets at FVOCI, the Parent Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

Based on the Parent Company's experience, the said assets are highly collectible or collectible on demand. The Parent Company holds as collaterals the corresponding properties which the third parties had bought on credit. In few cases of buyer defaults, the Parent Company can repossess the collateralized properties and resell them at the prevailing market price.

Receivables assessed to be of standard grade are those which had passed a certain set of credit criteria, and of which the Parent Company has not noted any extraordinary exposure which calls for a substandard grade classification.

As at December 31, 2025 and 2024, the analysis of contract receivables that were past due follows:

|                |                      | Past due         |                       |                        |                  |            |
|----------------|----------------------|------------------|-----------------------|------------------------|------------------|------------|
|                | Less than<br>30 days | 30 to<br>60 days | 61 days to<br>90 days | 91 days to<br>120 days | Over<br>120 days | Total      |
| (In Thousands) |                      |                  |                       |                        |                  |            |
| 2025           | ₱160,005             | ₱177,854         | ₱73,484               | ₱74,910                | ₱969,997         | ₱1,456,250 |
| 2024           | ₱1,096,522           | ₱277,554         | ₱211,176              | ₱99,212                | ₱248,521         | ₱1,932,985 |

There is no concentration risk on the Parent Company's financial assets as of December 31, 2025 and 2024.

#### Interest Rate Risk

The Parent Company's exposure to market risk for changes in interest rates relates primarily to the Parent Company's loans from various financial institutions. To manage interest rate risk, the Parent Company renegotiates the interest rates for certain long-term debts to convert them from fixed-rate debt to floating-rate debt as the Parent Company believes that the current interest rate environment makes it more favorable to carry floating-rate debt.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, of the Parent Company's profit before tax (through the impact on floating rate borrowings). There is no other impact on the Parent Company's other comprehensive income other than those already affecting the profit and loss.

|             | Increase (decrease) in basis points | Effect on income before income tax (In Thousands) |
|-------------|-------------------------------------|---------------------------------------------------|
| <b>2025</b> | <b>+200</b>                         | <b>(₱345,015)</b>                                 |
|             | <b>-200</b>                         | <b>345,015</b>                                    |
| 2024        | +200                                | (₱184,395)                                        |
|             | -200                                | 184,395                                           |



The assumed change in rate is based on the currently observable market environment. Effect on the Parent Company's income before tax is computed on the carrying amount of the Parent Company's floating rate loans payable as of December 31, 2025 and 2024.

The following table sets out the carrying amount, by maturity, of the Parent Company's long-term debts that are exposed to interest rate risk (amounts in thousands):

| Variable interest rate  | 91-day Treasury bill plus 1% to 2% margin |            |            |            |                 | Total       |
|-------------------------|-------------------------------------------|------------|------------|------------|-----------------|-------------|
|                         | Below<br>1 Year                           | 1-2 Years  | 2-3 Years  | 3-4 Years  | Over<br>4 Years |             |
| As of December 31, 2025 | P—                                        | P4,600,000 | P3,716,767 | P8,150,000 | P1,000,000      | P17,466,767 |
| As of December 31, 2024 | P200,000                                  | P—         | P1,000,000 | P50,000    | P8,150,000      | P9,400,000  |

### 31. Commitments and Contingencies

#### *Contingencies*

The Parent Company is involved in various legal actions, claims, and contingencies incidental to the ordinary course of the business. Management believes that any amount the Parent Company may have to pay in connection with any of these matters would not have a material adverse effect on its financial position or operating results. The other information usually required by PAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, is not disclosed as they may prejudice the outcome of the ongoing proceedings.

#### *Capital commitments and obligations*

The Parent Company has contractual commitments and obligations for the construction and development costs to be incurred for investment properties and property and equipment items aggregating ₱5.46 billion and ₱3.07 billion as of December 31, 2025, and 2024, respectively. These will be recognized as liabilities in the Parent Company's financial statements when the related services are received.

#### *Assignment of development rights under a BTO agreement*

On June 26, 2015, the Parent Company and a third party entered into an agreement whereby the latter agreed to assign its project development rights and benefits under its BTO Agreement with Cebu Province to the Parent Company. In consideration of this assignment, the Parent Company paid upfront fee amounting to ₱150.00 million. January 30, 2024, the Parent Company and Cebu Province entered into an Amendment Agreement, recognizing the full assignment not only of the rights and benefits but also the obligation under the BTO Agreement in favor of the Parent Company as the successor proponent to the contemplated project development. As of December 31, 2025, project construction has not started due to pending approval from Cebu Province on cleared site and this upfront fee is recorded as part of 'Other noncurrent assets' in the parent company statement of financial position (see Note 16).

#### *Development agreement with Bases Conversion Development Authority (BCDA)*

In 2015, the Parent Company won the contract to develop a 288-hectare area in Clark Green City in Tarlac and paid 10% of the bid premium as bid security amounted to ₱16.00 million. On January 8, 2016, the Joint Venture Agreement with BCDA was signed and pursuant to the terms of the development of the project, the Parent Company paid the ₱160.00 million bid premium representing the right to own 55% of the equity on the joint venture company to be formed with BCDA.

On February 11, 2016, the Parent Company incorporated FCGCC, the entity that will handle the development of the New Clark City Project (formerly Clark Green City Project). The bid premium is presented as part of investment properties in the parent company financial statements (see Note 12).





### 32. Registration with PEZA

On February 13, 2002, the Parent Company was registered with Philippine Economic Zone Authority (PEZA) pursuant to the provisions of the Republic Act (RA) No. 7916 as the Ecozone Developer/Operator to lease, sell, assign, mortgage, transfer or otherwise encumber the area designated as a Special Economic Zone (the “Ecozone”) to be known as Filinvest Technology Park-Calamba.

Under the registration, the Parent Company shall enjoy 5% preferential tax privilege on income generated from the Ecozone in lieu of the regular income tax rate.

### 33. Notes to Statements of Cash Flows

Changes in liabilities arising from financing activities for the years ended December 31 follows:

|                    | 2025               |                |                      |
|--------------------|--------------------|----------------|----------------------|
|                    | January 1,<br>2025 | Cash flows     | Noncash<br>movement  |
|                    |                    |                | December 31,<br>2025 |
|                    |                    | (In Thousands) |                      |
| Loans payable      | ₱33,605,555        | ₱8,326,030     | (₱35,683)            |
| Bonds payable      | 35,856,588         | (2,925,000)    | (14,259)             |
| Accrued interest   | 298,881            | (4,992,310)    | 5,391,927            |
| Dividends payable* | 21,413             | (1,123,188)    | 1,123,188            |
| Lease liabilities  | 5,134,906          | (640,801)      | 11,985,006           |
|                    | ₱74,917,343        | (₱1,355,269)   | ₱18,450,179          |
|                    |                    |                | ₱92,012,253          |

\*Dividends payable is presented as part of “Accounts payable and accrued expenses” (see Note 17).

|                    | 2024               |                |                      |
|--------------------|--------------------|----------------|----------------------|
|                    | January 1,<br>2024 | Cash flows     | Noncash<br>movement  |
|                    |                    |                | December 31,<br>2024 |
|                    |                    | (In Thousands) |                      |
| Loans payable      | ₱27,432,585        | ₱6,267,621     | (₱94,650)            |
| Bonds payable      | 37,468,517         | (1,700,000)    | 88,070               |
| Accrued interest   | 87,359             | (4,193,110)    | 4,404,632            |
| Dividends payable* | 21,413             | (1,216,488)    | 1,216,488            |
| Lease liabilities  | 5,004,973          | (302,289)      | 432,222              |
|                    | ₱70,014,847        | (₱1,144,266)   | ₱6,046,762           |
|                    |                    |                | ₱74,917,343          |

\*Dividends payable is presented as part of “Accounts payable and accrued expenses” (see Note 17).

The Parent Company’s noncash investing activities are as follows:

- Land and land developments previously presented under real estate inventories were reclassified to investment properties amounting to ₱489.70 million and ₱455.90 million in 2025 and 2024, respectively (see Notes 9 and 12).
- Land and land developments previously presented under real estate inventories that were reclassified to investment and advances in subsidiaries and associate amounting to ₱119.65 million in 2024 (nil in 2025; see Notes 9 and 11).
- Investment properties that were reclassified to real estate inventories amounting to ₱42.95 million in 2024 (nil in 2025).



- d. Investment properties that were sold to FILRT under a tax-free property-for-share swap transaction amounting to ₱3.97 billion in 2025 (nil in 2024; see Note 12)
- e. Additions to right-of-use assets and lease liabilities amounting to ₱11.05 billion as of December 31, 2025 (nil in 2024; see Notes 12 and 14)
- f. Purchases of investment properties, property and equipment and BTO rights which remain unpaid amounted to ₱1,935.03 million, ₱10.06 million and ₱497.19 million, respectively, as of December 31, 2025 and ₱1,394.94 million, ₱34.78 million and ₱494.39 million, respectively, as of December 31, 2024 (see Notes 9, 12, 13 and 15).
- g. The Parent Company has remaining unpaid cash dividend amounting to ₱21.41 million as of December 31, 2025 and 2024 (see Note 27).

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### 34. Subsequent Events

On February 16, 2026, the BOD approved the issuance of the third tranche of the Parent Company's shelf registration with the SEC under MSRD Order No. 64, Series of 2023, of up to ₱11.57 billion worth of fixed-rate peso denominated bonds with a maturity of up to 10 years.



# **Filinvest Land, Inc.**

## **2025 Sustainability Report**

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## About This Report

This Annual and Sustainability Report presents Filinvest Land, Inc.'s (FLI) and Environmental, Social, and Governance (ESG) disclosures for the calendar year ended December 31, 2025. The report aims to provide stakeholders with a balanced view of FLI's performance, strategy, and approach to creating long-term value.

The report includes forward-looking statements based on management's current assessments and expectations, including those related to sustainability focus areas, climate-related risks and opportunities, and other ESG-related initiatives. These statements are subject to inherent uncertainties and external factors, including regulatory, market, environmental, and economic conditions, that may cause actual outcomes to differ materially. Forward-looking statements should be interpreted with due consideration of these risks and limitations.

FLI's ESG disclosures are prepared in compliance with the reporting requirements for publicly listed companies under the Securities and Exchange Commission Memorandum Circular No. 16, Series of 2025 (SEC MC 2025-016), which adopts the Philippine Financial Reporting Standards (PFRS) on Sustainability Disclosures

The report also references the reporting principles of the Global Reporting Initiative (GRI) to support consistency, comparability, and completeness of sustainability disclosures.

The Company is currently in a transition phase toward the Philippine Financial Reporting Standards on Sustainability Disclosures, as adopted by the SEC. During this period, FLI is strengthening governance structures, data systems, and risk management processes to progressively align with the new regulatory disclosure requirements.

For feedback or inquiries regarding this Annual and Sustainability Report, please contact us at [ir@filinvestland.com](mailto:ir@filinvestland.com).

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## Reporting Methodology

- Sustainability data included in this report is derived from internal records, operational systems, and management reports across relevant functions, including Finance, Human Resources, Environment, Health and Safety, and Operations.
  - The preparation of the sustainability information involves coordination across business units based on internal processes and controls that are continually being enhanced.
  - Certain disclosures involve the use of management estimates, assumptions, and professional judgment due to the evolving nature of sustainability data collection, measurement, and consolidation.
  - While reasonable efforts have been made to ensure the accuracy and completeness of the information presented, some sustainability metrics and methodologies may continue to be refined over time as data availability and reporting systems mature.
  - Filinvest Land, Inc. remains committed to the continuous improvement of the quality, consistency, and robustness of its sustainability disclosures.
- 

## Regeneration: Building Value for the Long Term

At Filinvest Land, Inc. (FLI), regeneration reflects our commitment to strengthening the foundations of our business while responding to the evolving needs of our communities, stakeholders, and operating environment. It is about sustaining what we have built, how we operate, and creating value that endures over time, in line with FLI's diversified real estate portfolio and long-term development strategy.

Regeneration recognizes that long-term growth requires continuous adaptation. By integrating sustainability considerations into our strategies, developments, and operations, we seek to enhance resilience, manage risks responsibly, and support the long-term performance of our assets. This approach enables us to respond thoughtfully to changing market conditions, regulatory developments, and environmental and social challenges.

Beyond physical developments, regeneration at FLI is about renewing trust, strengthening relationships, and supporting the communities where we operate. As we move forward, we remain focused on building responsibly, aligning business performance with environmental stewardship and social progress to ensure that the value we create today continues to support sustainable growth in the years ahead.

## How Filinvest Land Creates Value Across Its Operating Segments

Filinvest Land, Inc. operates across diversified real estate segments that shape the Company's sustainability risks, opportunities, and value creation profile. This overview provides the business context relevant to the sustainability matters discussed in this report. Detailed descriptions of projects, market presence, and strategic priorities are presented in the Annual Report.

### FLI Operating Segments Overview

| Business Segment | Business Context for Sustainability                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Residential      | <p><b>Core offering:</b> Income-segmented housing developments, including socialized, affordable, mid-income, and high-end residential communities.</p> <p><b>Key locations:</b> Master-planned communities and residential developments nationwide.</p> <p><b>Primary customers:</b> Homebuyers across diverse income groups.</p> <p><b>Strategic relevance:</b> Residential developments influence land use efficiency, access to basic services, community integration, and climate-resilient design, which are key considerations in sustainable urban development.</p> |
| Co-living        | <p><b>Core offering:</b> Shared and flexible living spaces, including dormitel and room-sharing accommodations.</p> <p><b>Key locations:</b> Urban centers and growth areas supporting workforce mobility.</p> <p><b>Primary customers:</b> Students, young professionals, and transient urban residents.</p> <p><b>Strategic relevance:</b> Co-living models support efficient space utilization, shared resources, and evolving housing needs linked to urbanization and mobility trends.</p>                                                                             |

| Business Segment        | Business Context for Sustainability                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Office</b>           | <p><b>Core offering:</b> Grade A, PEZA-registered office buildings, including IT and business process outsourcing (BPO) facilities.</p> <p><b>Key locations:</b> Major business districts and IT parks such as Alabang, Makati, Pasay, Mandaluyong, Ortigas, Clark, and Cebu.</p> <p><b>Primary customers:</b> BPO firms, multinational companies, and corporate tenants.</p> <p><b>Strategic relevance:</b> Office operations are energy-intensive and directly linked to building efficiency, green certifications, transport accessibility, and tenant decarbonization expectations.</p>            |
| <b>Malls and Retail</b> | <p><b>Core offering:</b> Community and lifestyle malls providing commercial and retail leasing spaces.</p> <p><b>Key locations:</b> Mixed-use developments and key provincial and urban growth centers.</p> <p><b>Primary customers:</b> Retail tenants, service providers, and local communities.</p> <p><b>Strategic relevance:</b> Retail assets influence energy and water consumption, waste generation, and community engagement, particularly in mixed-use and transit-oriented developments.</p>                                                                                               |
| <b>Industrial Parks</b> | <p><b>Core offering:</b> Ready-built factories and industrial facilities supporting manufacturing, logistics, warehousing, cold chain, and data centers.</p> <p><b>Key locations:</b> Filinvest Innovation Parks in New Clark City and Ciudad de Calamba.</p> <p><b>Primary customers:</b> Light to medium manufacturers, logistics providers, and industrial locators.</p> <p><b>Strategic relevance:</b> Industrial operations present heightened exposure to energy use, emissions, water demand, and supply-chain impacts, making them critical to climate and resource management strategies.</p> |



# FLI Sustainability Framework: Regeneration in Action

FLI's Sustainability Framework provides a structured approach to integrating sustainability across its business, developments, and communities. Anchored on the principle of regeneration, the framework focuses on strengthening systems, restoring balance, and creating long-term value by responsibly managing environmental, social, economic, and operational priorities.

The framework reflects FLI's understanding that sustainable growth is built through continuous improvement and adaptation. By aligning sustainability with business strategy, risk management, and innovation, FLI seeks to enhance resilience, support inclusive development, and reinforce stakeholder confidence across its diversified real estate portfolio and long-term development strategy.

Guided by four interrelated pillars, Environmental Responsibility, Social Impact & Inclusion, Economic Development, and Resiliency & Innovation, the framework translates sustainability commitments into focused areas across the real estate lifecycle. These pillars work collectively to manage material risks and opportunities, support responsible development, and contribute to long-term business viability and community well-being.

As regulatory expectations and stakeholder priorities evolve, FLI's Sustainability Framework remains dynamic. It supports the Company's transition toward enhanced sustainability disclosures while reinforcing a disciplined, measured approach to value creation and regeneration over time



*FLI's Sustainability Framework is integrated across the real estate development lifecycle, ensuring that environmental, social, economic, and resilience considerations are embedded from planning through long-term stewardship for FLI's townships, residential, office, retail, and industrial developments. Together, these pillars support the strengthening of business and operational systems while helping restore balance between growth, environmental stewardship, and social well-being.*

## **FLI Sustainability Framework – 4 Key Pillars:**

### **Environmental Responsibility**

FLI promotes eco-responsible development by managing resources efficiently, reducing environmental impact, and supporting decarbonization initiatives. Through responsible land use, water stewardship, and the adoption of sustainable building practices, the Company seeks to balance development needs with long-term environmental resilience.

### **Social Impact & Inclusion**

FLI is committed to creating inclusive, livable, and people-centric communities. The Company addresses housing accessibility, employee development, and community connectivity to deliver shared value while supporting social well-being across its developments.

### **Economic Development**

FLI contributes to inclusive economic growth by enabling businesses, generating employment, and strengthening local supply chains. Through responsible procurement and partnerships, the Company supports enterprise growth while reinforcing economic stability within its communities.

### **Resiliency & Innovation**

FLI integrates resilience and innovation into its operations to manage enterprise risks and respond to climate-related and operational challenges. By embedding adaptability and forward-looking solutions, the Company strengthens business continuity and long-term performance.

## FLI Sustainability Framework – Focus Areas:

| Environmental                                                                                                                                                                                 |                                                                                                                                                                                                                                      |                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Eco-Responsible:</b><br>We embrace <u>responsible resource management</u> and <u>circular economy</u> practices to minimize waste and reduce environmental impact                          | <b>Decarbonization:</b><br>We are committed to reducing our carbon footprint through <u>renewable energy</u> , <u>energy efficiency</u> , and the <u>use of green, low-carbon materials</u>                                          | <b>Responsible Land Use &amp; Development</b><br>We maximize land value through responsible, strategic development that balances long-term benefits for communities and the nation.                     |
| Social                                                                                                                                                                                        |                                                                                                                                                                                                                                      |                                                                                                                                                                                                         |
| <b>Inclusive Communities:</b><br>We provide accessible, <u>affordable</u> , and well-designed <u>homes</u> that <u>bridge the housing gap for underserved communities</u>                     | <b>Employee Value Creation:</b><br>We empower our <u>employees</u> to <u>become value creators</u> , fostering a culture where their skills and <u>talent drive both business and social impact</u> .                                | <b>Building Communities that Uplift Lives:</b><br>We develop people-centric communities that <u>enhance quality of life</u> , with access to transport hubs that enable people to move about with ease. |
| Economic                                                                                                                                                                                      |                                                                                                                                                                                                                                      |                                                                                                                                                                                                         |
| <b>Supporting and Enabling Businesses:</b><br>We create jobs that foster growth by <u>enabling local enterprises, contractors, and vendors</u> to <u>thrive</u> within Filinvest developments | <b>Strengthening the Supply Chain:</b><br>We promote <u>responsible procurement</u> and <u>sustainable practices</u> while nurturing contractors and vendors as long-term partners to ensure reliability, quality, and shared growth | <b>Good Governance:</b><br>We uphold <u>ethical business practices</u> , <u>transparency</u> , and <u>accountability</u> to <u>strengthen investor confidence</u> and <u>stakeholder trust</u>          |
| Economic                                                                                                                                                                                      |                                                                                                                                                                                                                                      |                                                                                                                                                                                                         |
| <b>Enterprise Risk Management:</b><br>We proactively address <u>evolving risks</u> and <u>uncertainties</u> to protect long-term <u>business viability</u> and <u>continuity</u>              | <b>Climate-Resilience:</b><br>We strive to develop <u>resilient systems and properties</u> that withstand <u>climate change</u> , natural hazards, and other <u>business risks</u> .                                                 | <b>Organization Adaptability &amp; Innovation:</b><br>We embed <u>flexibility</u> and <u>innovation</u> into company culture and strategies to <u>promote growth</u> and <u>long-term resilience</u>    |

## UN Sustainable Development Goals

Filinvest Land, Inc. references the United Nations Sustainable Development Goals (SDGs) as a globally recognized framework for communicating how the Company's sustainability initiatives align with broader social, environmental, and economic priorities. The SDGs provide a common language that supports transparency and comparability for investors and other stakeholders.

While FLI's Sustainability Framework is anchored on the Company's business strategy and development lifecycle, the SDGs serve as an external reference to illustrate the contribution of key initiatives and outcomes to relevant global goals. This approach allows FLI to demonstrate alignment with international sustainability priorities while maintaining a focus on value creation, risk management, and long-term business resilience.

FLI's use of the SDGs is selective and contextual, reflecting areas where the Company's activities are most relevant and impactful. The SDGs are not treated as operational targets, but as a communication tool that complements FLI's sustainability strategy and reporting.

| FLI Pillars                  | Key Focus Areas              | Relevant SDGs |
|------------------------------|------------------------------|---------------|
| Environmental Responsibility | Decarbonization              | SDG 7, 12, 13 |
| Social Impact & Inclusion    | Housing, Employees, Mobility | SDG 8, 11     |
| Economic Development         | Jobs, Supply Chain           | SDG 8, 9      |
| Resiliency & Innovation      | Risk, Climate Resilience     | SDG 9, 13     |



# Materiality Assessment (2025)

## Scope and Context

Filinvest Land Inc. undertakes materiality assessments and periodically reviews them to ensure that identified sustainability topics remain relevant to its operations, stakeholders, and long-term value creation.

This Sustainability Report covers all operating assets and ongoing projects within Filinvest Land's portfolio as of December 31, 2025, including residential, office, retail, industrial parks, co-living, townships, and mixed-use developments. ESG data is consolidated using the operational control approach. Assets managed by Filinvest Alabang, Inc. (FAI), where the Company holds a 20% ownership interest, are excluded from operational data consolidation and are reported at the Filinvest Development Corporation (FDC) level.

The materiality assessment continues to be aligned with the GRI Standards and the applicable Securities and Exchange Commission (SEC) Sustainability Reporting Guidelines, consistent with the Group's sustainability reporting approach, which is subject to external assurance under applicable assurance standards.

At the same time, the Company has strengthened the articulation of how material sustainability topics may affect operational performance, regulatory compliance, asset resilience, cost structure, access to capital, and overall enterprise value. This supports Filinvest Land's progressive alignment with the IFRS Sustainability Disclosure Standards, including the identification and management of sustainability-related risks and opportunities that may reasonably be expected to affect the Company's financial condition and long-term performance.

## 2025 Materiality Review

In 2025, Filinvest Land conducted a refresh of its material sustainability topics to reflect:

- Emerging regulatory developments in the Philippines
- Evolving investor and lender expectations
- Industry-specific sustainability risks within the real estate sector
- Internal risk assessments and business strategy updates

This review builds on prior assessments to ensure continuity while enhancing clarity, financial relevance, and decision-usefulness.

## **Materiality Assessment Process**

The materiality assessment follows a structured and repeatable approach:

### **1. Identification of Sustainability Topics**

Potential environmental, social, economic, and governance topics were identified through:

- Review of prior-year material topics
- Peer benchmarking within the Philippine and regional real estate sector
- Desktop research on emerging ESG risks and regulatory trends
- Reference to GRI Standards, SEC guidelines, and evolving IFRS sustainability expectations

### **2. Stakeholder Engagement**

Key stakeholder groups were engaged to understand their priority concerns and expectations. These include:

- Employees
- Customers, tenants, and homeowners
- Suppliers and contractors
- Government agencies and regulators
- Shareholders and capital providers
- Local communities

Engagement channels included surveys, interviews, meetings, industry forums, digital communication platforms, and routine operational touchpoints.

### **3. Assessment and Prioritization**

Identified topics were evaluated based on:

- Relevance to Filinvest Land's business operations
- Importance to stakeholders
- Potential implications for financial performance, asset value, operational continuity, and regulatory compliance

Topics that demonstrated significant relevance across these dimensions were identified as material sustainability topics and inform the Company's sustainability strategy, risk management, and disclosures.

#### **4. Management Validation**

The consolidated list of material topics was reviewed by senior management to ensure alignment with:

- Corporate strategy
- Enterprise Risk Management processes
- Sustainability priorities
- Regulatory and disclosure requirements

#### **5. Integration and Disclosure**

The final material sustainability topics inform:

- Sustainability strategy and initiatives
- Risk identification and mitigation planning
- Metrics and performance disclosures
- Future enhancements toward IFRS-aligned sustainability reporting

The assessment is reviewed periodically to reflect changes in the Company's operating environment and stakeholder expectations.

---

## **2025 Material Sustainability Topics**

The following topics were identified as material to Filinvest Land:

### **Environmental**

- Climate Change Mitigation and Adaptation
- Energy Efficiency and Renewable Energy
- Green and Resilient Building Design
- Waste Management and Pollution Control
- Land Use, Biodiversity, and Environmental Compliance



**Social**

- Occupational Health, Safety, and Employee Wellbeing
- Human Capital Development and Engagement
- Diversity, Equity, and Equal Opportunity
- Customer, Tenant, and Homeowner Relations
- Affordable and Livable Communities
- Community Engagement and Social Impact
- Human Rights and Indigenous Peoples' Rights

**Economic**

- Economic Performance and Value Creation
- Sustainable Finance and Capital Access
- Technology, Innovation, and Digitalization
- Job Creation and Local Economic Contribution
- Sustainable Procurement and Supply Chain Management

**Governance**

- Corporate Governance and Ethical Business Conduct
  - Regulatory Compliance
  - Enterprise Risk Management
  - ESG Disclosure, Ratings, and Transparency
  - Data Privacy and Information Security
-

## Stakeholder Engagement and Mapping

| <b>STAKEHOLDER</b><br><i>(INFOGRAPHICS)</i>  | <b>KEY TOPICS OF INTEREST</b>                                                                                                                                                   | <b>ENGAGEMENT CHANNELS</b>                                                                                                                                                                                                                | <b>FLI RESPONSE</b>                                                                                                                                                                                |
|----------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| EMPLOYEES                                    | <ul style="list-style-type: none"> <li>Occupational Health and Safety</li> <li>Employee Wellbeing</li> <li>Human Capital Development</li> </ul>                                 | <ul style="list-style-type: none"> <li>Meetings (virtual/in-person) &amp; Email</li> <li>Townhalls / Employee Engagement</li> <li>Training / Webinars / Seminars</li> <li>Satisfaction Surveys</li> <li>Coaching and Mentoring</li> </ul> | <ul style="list-style-type: none"> <li>Safety Training and Audits</li> <li>Review of compensation and benefits</li> <li>Employee Engagement Programs</li> <li>Various Training programs</li> </ul> |
| CUSTOMERS, TENANTS, HOME BUYERS & HOMEOWNERS | <ul style="list-style-type: none"> <li>Quality and Affordability</li> <li>Timeliness of Project Delivery</li> <li>Energy Efficiency</li> <li>Customer Relations</li> </ul>      | <ul style="list-style-type: none"> <li>In-person, FLI office branches</li> <li>Online service desk</li> <li>Website/email</li> </ul>                                                                                                      | <ul style="list-style-type: none"> <li>Housing brands per income segment</li> <li>Nationwide project locations</li> <li>Feedback Surveys</li> <li>Customer Service / Property Mgt.</li> </ul>      |
| SUPPLIERS AND CONTRACTORS                    | <ul style="list-style-type: none"> <li>Jobs generation (indirect)</li> <li>Supplier Performance and Compliance</li> <li>Responsible Sourcing and Supplier Governance</li> </ul> | <ul style="list-style-type: none"> <li>Meetings (virtual/in-person)</li> <li>Email</li> <li>Online portal for payments</li> </ul>                                                                                                         | <ul style="list-style-type: none"> <li>Supplier Accreditation Requirements</li> <li>Service Level Agreements</li> <li>Online Payment scheme</li> </ul>                                             |
| GOV'T. AGENCIES AND REGULATORS               | <ul style="list-style-type: none"> <li>Environmental and Regulatory Compliance</li> <li>Governance</li> <li>Economic Development</li> </ul>                                     | <ul style="list-style-type: none"> <li>Public consultations •</li> <li>Government Events</li> <li>Conferences</li> <li>Meetings</li> </ul>                                                                                                | <ul style="list-style-type: none"> <li>Submission of regulatory requirements</li> <li>Assignment of compliance officers</li> <li>Internal controls and procedures</li> </ul>                       |
| SHAREHOLDERS, CAPITAL PROVIDERS              | <ul style="list-style-type: none"> <li>Financial stability and Economic Performance</li> <li>Good Governance and ESG Transparency</li> </ul>                                    | <ul style="list-style-type: none"> <li>FLI Website</li> <li>PSE EDGE Portal</li> <li>SEC i-View Website</li> </ul>                                                                                                                        | <ul style="list-style-type: none"> <li>Corporate disclosures</li> <li>Analysts Briefings</li> <li>Press Release</li> <li>Response to inquiries</li> </ul>                                          |

# Integration of Sustainability-Related Risks & Opportunities

## Integration into Strategy and Enterprise Risk Management

Filinvest Land, Inc. integrates sustainability-related risks and opportunities (SRROs) into its strategic planning and Enterprise Risk Management (ERM) processes to support long-term value creation and operational resilience.

SRROs refer to environmental, social, economic, and governance matters that may influence the Company's financial performance, asset value, operational continuity, regulatory standing, and access to capital over the short, medium, and long term.

Material sustainability topics and their associated risks and opportunities are considered in:

- Business planning and portfolio strategy
- Capital allocation and project evaluation
- Design and development standards
- Operational efficiency initiatives
- Investor, lender and tenant engagement

Sustainability-related risks are evaluated alongside strategic, financial, operational, and compliance risks within the Company's broader risk management framework.

Management considers likelihood, potential severity of impact, time horizon, and interdependencies across business segments when assessing these risks.

Climate-related risks form part of this broader sustainability risk landscape and are considered within the Company's enterprise risk management and strategic planning process.

Through this approach, sustainability considerations are embedded into core business decision-making processes rather than managed as standalone initiatives.

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## Mapping of FLI's Sustainability-Related Risks and Opportunities

The Company has identified sustainability-related risks and opportunities associated with its material sustainability topics. These risks and opportunities may affect operations, financial performance, and long-term competitiveness over defined time horizons.

| Material Topic                                               | Sustainability-Related Risk                                                                                                                                             | Sustainability-Related Opportunity                                                                        | Time Horizon         |
|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------|----------------------|
| <b>Climate Change Mitigation &amp; Adaptation</b>            | Physical risks (typhoons, flooding, heat stress) affecting asset value, insurance costs, and operational continuity; transition risks from evolving climate regulations | Development of resilient, energy-efficient assets; enhanced asset competitiveness and long-term valuation | Medium to Long Term  |
| <b>Energy Efficiency &amp; Renewable Energy</b>              | Rising energy costs; carbon pricing exposure; tenant sustainability requirements                                                                                        | Reduced operating expenses; improved tenant retention; green certification advantage                      | Short to Medium Term |
| <b>Green &amp; Resilient Building Design</b>                 | Higher capex requirements; evolving building standards                                                                                                                  | Premium asset positioning; improved lifecycle performance                                                 | Medium to Long Term  |
| <b>Waste Management &amp; Pollution Control</b>              | Compliance penalties; reputational risks during construction                                                                                                            | Circular economy partnerships; cost optimization                                                          | Short to Medium Term |
| <b>Land Use, Biodiversity &amp; Environmental Compliance</b> | Delays in permits; regulatory sanctions; community opposition                                                                                                           | Faster approvals through proactive environmental planning                                                 | Medium Term          |
| <b>Occupational Health &amp; Safety</b>                      | Workplace incidents; legal liabilities; project delays                                                                                                                  | Improved productivity; contractor reliability                                                             | Short Term           |
| <b>Customer &amp; Tenant Relations</b>                       | Reduced occupancy; brand erosion                                                                                                                                        | Higher tenant retention; cross-selling opportunities                                                      | Short to Medium Term |
| <b>Sustainable Finance &amp; Capital Access</b>              | Increased cost of capital if ESG expectations unmet                                                                                                                     | Access to green financing; improved investor confidence                                                   | Medium Term          |
| <b>Technology &amp; Digitalization</b>                       | Operational inefficiencies; cybersecurity risk                                                                                                                          | Smart building optimization; cost control                                                                 | Short to Medium Term |

| Material Topic                                               | Sustainability-Related Risk                                | Sustainability-Related Opportunity                          | Time Horizon         |
|--------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------------------|----------------------|
| <b>Sustainable Procurement &amp; Supply Chain Management</b> | Supply chain disruption; cost escalation; Scope 3 exposure | Improved supplier reliability; emissions reduction leverage | Short to Medium Term |
| <b>ESG Disclosure &amp; Transparency</b>                     | Ratings downgrade; investor skepticism                     | Stronger market credibility; capital access                 | Short to Medium Term |
| <b>Data Privacy &amp; Information Security</b>               | Legal liabilities; tenant trust erosion                    | Strengthened digital trust and operational reliability      | Short Term           |

**Note:** For purposes of this report, Filinvest Land defines short-term as up to three years, medium-term as three to seven years, and long-term as beyond seven years, reflecting the typical development, stabilization, and holding periods of its real estate assets. The time horizon indicates the period in which a sustainability-related risk or opportunity is reasonably expected to have the most significant potential influence on the Company's enterprise value, financial performance, or strategic positioning."

Climate-related risks represent a key subset of sustainability-related risks and opportunities and are discussed in further detail below.

## Climate-Related Risks and Opportunities

Climate-related risks are recognized as a key environmental consideration for the Group's real estate portfolio, including assets developed and managed by Filinvest Land, given the Philippines' exposure to typhoons, flooding, extreme rainfall, and rising temperatures.

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### Physical Climate Risk Assessment

In 2025, the Filinvest Group engaged an independent climate advisory consultant to conduct a portfolio-level climate hazard exposure assessment covering more than 300 assets across residential, office, retail, and industrial developments, including properties of Filinvest Land.

The study evaluated exposure to selected physical climate hazards (flooding, tropical cyclone, rainfall-induced landslides, storm surge, sea level rise, extreme heat, and water stress) under multiple climate scenarios and included:

- Portfolio-level climate exposure hotspot analysis
- Geographic risk mapping
- Facility-level deep dive assessments for representative asset types

The assessment provides insights into potential asset-level exposure and relative vulnerability to physical climate hazards over defined time horizons. These insights support internal discussions on planning, design, and development considerations for asset resilience and long-term portfolio management.

Consistent with prudent risk management practices, detailed scenario outputs and asset-level sensitivity information are reviewed internally. While many of the assets are exposed to these physical climate risks, the risk of major damage or loss is managed through proper technical planning and design, crisis incident preparedness, and coordination with local government units.

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## **Transition and Regulatory Considerations**

The Company also monitors regulatory developments, evolving market expectations, and broader energy transition trends that may influence building standards, energy efficiency initiatives, tenant demand, and long-term asset competitiveness. These considerations are reviewed within the Company's enterprise risk management and strategic planning processes as part of its ongoing approach to managing sustainability-related risks.

Filinvest Land continues to strengthen its approach to integrating sustainability considerations in line with evolving regulatory requirements and international sustainability expectations.

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# ENVIRONMENTAL RESPONSIBILITY

Environmental stewardship is integral to Filinvest Land's commitment to **Building the Filipino Dream**, recognizing that responsible land development and resource management are essential to creating resilient and enduring communities. Guided by its regeneration agenda, the Company integrates environmental considerations throughout the lifecycle of its residential communities, office and commercial developments, industrial parks, and mixed-use townships, from site planning and green building design to construction and operational management, to support long-term environmental performance and asset resilience.

Filinvest Land applies resource efficiency measures, climate-responsive and green building design, and environmental performance monitoring across its portfolio. These efforts support energy efficiency, water stewardship, and responsible resource management while strengthening asset resilience, managing operational costs, and ensuring compliance with evolving environmental standards. Through these measures, the Company contributes to healthier, more sustainable, and future-ready built environments.

As climate risks and environmental expectations continue to evolve, Filinvest Land remains committed to regenerating land responsibly, enhancing environmental performance across the asset lifecycle, and delivering developments that create lasting value for communities and stakeholders.

---



# Environmental Highlights 2025

## Energy and Decarbonization

### 16 Buildings Powered by Renewable Energy

Renewable energy sourcing implemented across **16 office buildings of Filinvest REIT Corp.**

### 78% Office Portfolio Using Renewable Electricity

31 of 40 office buildings across FILRT and non-REIT assets supplied with renewable electricity.

### 44,717 Tonnes CO<sub>2</sub>-e Avoided Emissions

Renewable energy adoption across Filinvest Land developments and its sponsored office portfolio helped avoid approximately **44,717 tonnes of greenhouse gas emissions** in 2025

### Energy Market Participation

6 non-REIT office buildings and 1 dormitel transitioned to the **Green Energy Option Program (GEOP)**.

2 properties enrolled in the **Retail Aggregation Program (RAP)** to access competitive electricity supply and renewable energy options.

### 2.8 MW Solar Generation Capacity

Festival Mall operates a **2.8-megawatt rooftop solar installation** supporting renewable energy generation.

### District Cooling System (DCS)

Centralized cooling infrastructure in Filinvest City improving energy efficiency across connected buildings.

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## Low-Carbon Mobility

### EV Charging Infrastructure Introduced

A **22-kilowatt electric vehicle charging station** installed at Festival Mall, Alabang in partnership with Movem Electric, Inc., supporting the transition to low-carbon mobility.

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## Green Building and Sustainable Development

### 4 Newly EDGE-Certified Buildings

Four office buildings within the FILRT portfolio achieved **EDGE certification** in 2025.

### Multiple Green-Certified Developments

9 LEED and 12 EDGE-certified office buildings across Filinvest Land developments and its sponsored office portfolio.

### Climate Resilience Assessment Initiated

Adoption of the **Building Resilience Index (BRI)** framework, with third-party verification initiated for selected industrial developments.

## Energy Management and Decarbonization Initiatives

Energy consumption represents a significant operational and environmental consideration for real estate developments, particularly across office, retail, and mixed-use properties. Filinvest Land implements energy efficiency measures and supports the adoption of renewable energy solutions across its developments to improve operational efficiency, manage operating costs, and reduce indirect greenhouse gas emissions associated with purchased electricity.

Filinvest Land supports energy efficiency through building design and operational initiatives. One example is the District Cooling System (DCS) in Filinvest City, developed through a joint venture with ENGIE, which provides centralized cooling to connected buildings. Centralized cooling improves operational efficiency by reducing the need for individual cooling systems and optimizing energy use across multiple developments.

In support of regulatory compliance and energy performance monitoring, energy audits are conducted across applicable properties in accordance with Department of Energy requirements. These assessments help identify opportunities for efficiency improvements and support the ongoing management of energy consumption across the portfolio.

Renewable energy solutions have also been integrated within selected retail developments. Festival Mall operates a 2.8-megawatt rooftop solar installation that supplements grid electricity supply and contributes to improved energy performance and reduced reliance on conventional energy sources.

Filinvest Land is also supporting the transition to low-carbon mobility by integrating electric vehicle (EV) charging infrastructure within its commercial developments. In October 2025, an EV charging station was installed at Festival Mall in Alabang in partnership with Movem Electric, Inc., a subsidiary of Manila Electric Company (Meralco). The facility includes a 22-kilowatt AC charger with dual charging ports, allowing two vehicles to charge simultaneously. The charging station is accessible to tenants and visitors and supports the growing adoption of electric vehicles.

As sponsor and major shareholder of Filinvest REIT Corp., Filinvest Land also supports the transition to renewable energy across its sponsored office portfolio. Several office buildings developed by Filinvest Land and now held under FILRT utilize electricity sourced from renewable energy providers through market mechanisms such as the Retail Competition and Open Access (RCOA) and the Green Energy Option Program (GEOP), contributing to lower-carbon building operations.

Through these initiatives, Filinvest Land continues to strengthen its approach to managing energy use and supporting decarbonization, contributing to improved operational efficiency and supporting the Company's broader environmental management and climate risk response efforts. These initiatives complement Filinvest Land's broader approach to sustainable building design and development.

## Energy and Emissions Performance

| <b>Energy Consumption</b><br>(GRI 302-1)                                                | Unit | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|-----------------------------------------------------------------------------------------|------|-------------|-------------|-------------|
| <b>Gasoline</b> – property operations                                                   | L    | 115,538     | 90,556      | 133,329     |
| <b>Diesel</b> – property operations                                                     | L    | 209,932     | 214,220     | 379,916     |
| <b>Diesel</b> – construction projects                                                   | L    | 840,207     | 695,908     | 1,108,235   |
| <b>Electricity (renewable)</b> – common area                                            | KWH  | 6,624,488   | 11,267,418  | 26,633,578  |
| <b>Electricity (renewable)</b> – total area                                             | KWH  | 23,462,168  | 35,471,855  | 66,911,863  |
| <b>Electricity (non-renewable)</b> – common area                                        | KWH  | 63,317,092  | 57,837,290  | 45,244,716  |
| <b>Electricity (non-renewable)</b> - total area                                         | KWH  | 139,172,317 | 129,566,905 | 103,115,667 |
| <b>Electricity (RE &amp; non-RE)</b> – common area                                      | KWH  | 69,941,580  | 69,104,708  | 71,878,294  |
| <b>Electricity (RE &amp; non-RE)</b> - total area                                       | KWH  | 162,634,485 | 165,038,760 | 170,027,530 |
| <b>Electricity</b> – construction projects ( <b>non-RE</b> )                            | KWH  | 3,381,122   | 2,608,336   | 2,244,708   |
| <b>Total Electricity</b> – property operations<br>(common area) & construction projects | KWH  | 73,322,702  | 71,713,044  | 74,123,002  |

**Note:** Renewables consumption by FILRT and Non-FILRT Offices from (purchased electricity from renewables) and Festival Mall (rooftop solar) and other FLI residential properties.

| <b>Summary of Greenhouse Gas Emissions</b><br>(GRI 305-1, 305-2, 305-3, 305-6) | Unit                      | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|--------------------------------------------------------------------------------|---------------------------|-------------|-------------|-------------|
| Total Direct Emissions (Scope 1)                                               | Tonnes CO <sub>2</sub> -e | 3,111       | 2,856       | 3,907       |
| Indirect Emissions (Scope 2) – purchased electricity, common areas             | Tonnes CO <sub>2</sub> -e | 45,094      | 41,192      | 33,822      |
| Indirect Emissions (Scope 2) – purchased electricity, projects                 | Tonnes CO <sub>2</sub> -e | 2,408       | 1,858       | 1,599       |
| Avoided GHG emissions                                                          | Tonnes CO <sub>2</sub> -e | 16,710      | 25,263      | 47,717      |

In 2025, renewable electricity consumption increased, reflecting expanded renewable energy sourcing across office and commercial developments. This contributed to a corresponding reduction in reliance on conventional electricity sources and supported the Company's efforts to manage Scope 2 emissions, which represent the majority of Filinvest Land's greenhouse gas emissions.

| <b>Detailed Greenhouse Gas Emissions</b><br>(GRI 305-1, 305-2, 305-3, 305-6)       | Unit                      | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|------------------------------------------------------------------------------------|---------------------------|-------------|-------------|-------------|
| Direct Emissions (Scope 1) –diesel and gasoline – property operations              | Tonnes CO <sub>2</sub> -e | 837         | 831         | 682         |
| Direct Emissions (Scope 1) –diesel – projects                                      | Tonnes CO <sub>2</sub> -e | 2,274       | 2,025       | 3,225       |
| Direct Emissions (Scope 1) –diesel – property operations & projects                | Tonnes CO <sub>2</sub> -e | 2,842       | 2,649       | 3,885       |
| Indirect Emissions (Scope 2) – purchased electricity, common areas                 | Tonnes CO <sub>2</sub> -e | 45,094      | 41,192      | 33,822      |
| Indirect Emissions (Scope 2) – purchased electricity, total area                   | Tonnes CO <sub>2</sub> -e | 99,119      | 92,278      | 73,439      |
| Indirect Emissions (Scope 2) – purchased electricity, projects                     | Tonnes CO <sub>2</sub> -e | 2,408       | 1,858       | 1,599       |
| Total GHG Emissions (Scope 1 & 2) – property operations, common area               | Tonnes CO <sub>2</sub> -e | 45,931      | 42,023      | 34,504      |
| Total GHG Emissions (Scope 1 & 2 –property operations, total area                  | Tonnes CO <sub>2</sub> -e | 99,956      | 93,109      | 74,121      |
| Total GHG Emissions (Scope 1 & 2) – projects                                       | Tonnes CO <sub>2</sub> -e | 4,682       | 3,883       | 4,824       |
| Total GHG Emissions (Scope 1 & 2) –property operations (common areas) and projects | Tonnes CO <sub>2</sub> -e | 50,613      | 45,906      | 39,328      |
| Total GHG Emissions (Scope 1 & 2) –property operations (total areas) and projects  | Tonnes CO <sub>2</sub> -e | 104,637     | 96,992      | 78,945      |
| Avoided GHG emissions                                                              | Tonnes CO <sub>2</sub> -e | 16,710      | 25,263      | 47,717      |

**Note:** Energy and emissions data have been calculated in the context of real estate operations, distinguishing between total area consumption—covering tenants and unit owners—and common areas, which are directly managed by Filinvest.

**Emission factor (EF) Source:** GHG Protocol for Diesel and Gasoline; Department of Energy Philippines for Electricity  
[https://ghgprotocol.org/sites/default/files/2024-05/Emission\\_Factors\\_for\\_Cross\\_Sector\\_Tools\\_V2.0\\_0.xlsx](https://ghgprotocol.org/sites/default/files/2024-05/Emission_Factors_for_Cross_Sector_Tools_V2.0_0.xlsx)  
<https://doe.gov.ph/electric-power/2015-2017-national-grid-emission-factor-ngef>

## Green Building and Sustainable Development

Filinvest Land integrates sustainable design principles into the development of its residential communities, office buildings, retail centers, industrial parks, and mixed-use townships to support long-term environmental performance and asset resilience. Through climate-responsive design, efficient building systems, and responsible material selection, the Company seeks to improve energy and water efficiency while supporting healthier and more sustainable built environments.

These measures are implemented through improved material specifications, modern construction methodologies, and optimized mechanical and electrical systems that enhance operational efficiency over the building lifecycle. Sustainable design considerations are incorporated early in project planning and carried through construction and operations, supporting the Company’s regeneration agenda and long-term asset value.

Filinvest Land’s sustainable building efforts are supported by third-party green building certifications, including Excellence in Design for Greater Efficiencies (EDGE) by the

International Finance Corporation, Leadership in Energy and Environmental Design (LEED), and Building for Ecologically Responsive Design Excellence (BERDE). These certification frameworks provide independent validation of building performance improvements in areas such as energy efficiency, water efficiency, and material resource use.

As sponsor and major shareholder of Filinvest REIT Corp., Filinvest Land also supports sustainable building standards across its sponsored office developments. Several office buildings developed by Filinvest Land and now part of the FILRT portfolio have achieved EDGE certification, with additional properties undergoing certification. These efforts reflect Filinvest Land's continued commitment to developing resource-efficient buildings that enhance environmental performance and support long-term resilience.

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### Green Building Certifications of Filinvest Land and Filinvest REIT

| Non-FILRT Asset                      | Green Certifications       | Year |
|--------------------------------------|----------------------------|------|
| Filinvest Cyberzone Bay City Phase 1 | LEED Silver v3             | 2017 |
| Filinvest Cyberzone Bay City Phase 2 | LEED Silver v3             | 2019 |
| Axis 2                               | LEED Gold v3               | 2018 |
| Axis 3                               | LEED Gold v3               | 2021 |
| Axis 4                               | LEED Gold v3               | 2020 |
| Studio 7                             | LEED Silver v3             | 2021 |
| One Filinvest                        | LEED Gold v3               | 2022 |
| PBCOM Tower*                         | EDGE Level 1               | 2025 |
| FILRT Asset                          | Green Certifications       | Year |
| Axis 1                               | LEED Gold v3               | 2017 |
| Vector 3                             | LEED Gold v3               | 2016 |
| Vector 2                             | EDGE Level 1               | 2022 |
| Vector 1                             | EDGE Level 1               | 2022 |
| Plaza A                              | EDGE Level 1               | 2023 |
| Plaza D                              | EDGE Level 1               | 2023 |
| Filinvest 3                          | EDGE Level 1               | 2023 |
| Filinvest 2                          | EDGE Level 1               | 2023 |
| Filinvest 1                          | EDGE Level 3 – Zero Carbon | 2024 |
| Plaza E                              | EDGE Level 1               | 2025 |
| IHUB 1                               | EDGE Level 1               | 2025 |
| IHUB 2                               | EDGE Level 1               | 2025 |
| 5132                                 | EDGE Level 1               | 2025 |

\*PBCOM Tower is Jointly developed by Filinvest Asia Corporation (FAC), a Filinvest Land, Inc. (FLI) Company, and the Philippine Bank of Communications (PBCOM)

Through these initiatives, Filinvest Land continues to strengthen its approach to sustainable development, contributing to efficient, resilient, and future-ready communities.

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## **Industry Engagement, Partnerships, and Recognition**

Filinvest Land actively participates in industry organizations, sustainability institutions, and sponsored entities to advance responsible real estate development and strengthen environmental management practices. Through collaboration and knowledge sharing, the Company contributes to broader efforts to promote sustainable building operations and climate-responsive development across the sector.

Filinvest representatives were invited to share environmental management and renewable energy transition practices at industry forums organized by the Philippine Chamber of Commerce and Industry and the Philippine Business for Social Progress. These engagements provided an opportunity to share lessons learned in implementing renewable energy sourcing, energy efficiency initiatives, and operational sustainability measures, supporting wider adoption of sustainable practices within the business community.

Filinvest Land also supports sustainability initiatives across its sponsored entity, Filinvest REIT Corp., reflecting the environmental performance of office developments originally developed by Filinvest Land. FILRT received recognition at national sustainability and ESG award programs, highlighting continued progress in renewable energy adoption and green building certification across its office portfolio.

Subsequent to the reporting period, in early 2026, Filinvest Land engaged an independent third-party verifier to conduct external verification under the International Finance Corporation's Building Resilience Index (BRI) framework for selected industrial park developments. The Company has also participated in technical workshops and learning sessions facilitated by IFC to support capacity building and enhance understanding of climate resilience assessment methodologies. These efforts support Filinvest Land's ongoing approach to strengthening asset resilience and integrating climate risk considerations into development and asset management practices.

Through these partnerships and engagements, Filinvest Land continues to strengthen its sustainability practices, contribute to industry progress, and support the development of resilient and future-ready communities in line with its regeneration agenda.

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# SOCIAL PERFORMANCE

## SOCIAL IMPACT AT A GLANCE

| <b>Metric</b>                                      | <b>2025</b>                                |
|----------------------------------------------------|--------------------------------------------|
| Women in the Workforce                             | 60%                                        |
| Women in Executive Leadership & Management         | 45%                                        |
| Average Training Hours                             | 29                                         |
| Total Training Hours                               | 44,071                                     |
| Voluntary Attrition                                | 17%                                        |
| CSAT (with over 600 respondents)                   | 84%                                        |
| CSAT Service Desk (with over 2,600 respondents)    | 97%                                        |
| Safe Working Man-hours                             | 24,908,151                                 |
| Work-related Fatalities                            | 0                                          |
| Work-related Injuries                              | 0                                          |
| Data Breaches                                      | 0                                          |
| No. of Families assisted through relief operations | 5,697                                      |
| Affordable housing and condo units delivered       | 2,168                                      |
| Number of families served                          | 2,168                                      |
| Communities developed nationwide across            | 57 cities and towns<br>within 22 provinces |

Filinvest Land's social performance strategy focuses on enabling accessible homeownership, strengthening human capital, maintaining safe and inclusive workplaces, and contributing to community development. Through responsible development and employee engagement, the Company aims to create positive social impact across its operations and the communities it serves.

Filinvest Land recognizes that sustainable development extends beyond environmental stewardship to include the well-being of the people and communities it serves. As a developer of integrated communities, the Company seeks to enable homeownership, support employee growth, and contribute to the resilience of the communities where it operates.

Through responsible business practices and stakeholder engagement, Filinvest Land seeks to create shared value for customers, employees, and communities, while supporting long-term social and economic progress for Filipino families.

## **Enabling Homeownership and Customer Value**

For Filinvest Land, homeownership goes beyond delivering housing units. It is about building communities where Filipino families can grow, thrive, and pursue their aspirations.

Filinvest Land continues to enable homeownership by developing communities that respond to evolving market needs while ensuring the long-term value and livability of its developments. The Company's residential portfolio spans a range of offerings, from economic and mid-income housing to premium residential developments, designed to support diverse Filipino households in achieving their homeownership aspirations.

In 2025, Filinvest Land adopted a measured project launch strategy, prioritizing the absorption of existing inventory and aligning new supply with market demand. This disciplined approach reflects the Company's commitment to responsible development and sustainable growth amid evolving conditions in the residential property market.

While the number of newly launched projects and completed housing units during the year was lower compared to the previous reporting period, the Company remained focused on supporting homebuyers, strengthening after-sales services, and enhancing customer engagement across its communities.

Customer feedback remains an important driver for service improvement. In 2025, overall Customer Service satisfaction registered at 84%, from over 600 respondents using a 10-point scale introduced to provide a more detailed measurement of customer experience. In the previous year, satisfaction was recorded at 92% using a 5-point scale. The shift in methodology provides greater differentiation in customer feedback and helps identify opportunities to further strengthen customer engagement and service responsiveness.

Operational support services, however, recorded improvements during the year. Service Desk Customer Satisfaction increased to 97%, up from 91% in 2024, based on feedback from 2,640 respondents, reflecting enhanced responsiveness in addressing customer inquiries and service requests.

Filinvest Land continues to invest in digital customer service platforms, streamlined after-sales processes, and responsive property management support, ensuring that homeowners receive timely assistance throughout the lifecycle of their homes.

Through these efforts, the Company remains committed to creating communities that not only provide housing but also foster long-term value, safety, and quality of life for Filipino families.



Delivering quality communities is supported by Filinvest Land’s workforce, whose expertise and dedication enable the Company to execute its projects and serve its customers effectively.

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## Human Capital and Workforce Development

Filinvest Land recognizes that its employees are essential to delivering operational excellence and sustaining long-term growth. The Company invests in human capital development by fostering a workplace culture grounded in meritocracy, continuous learning, and employee engagement.

As of the end of 2025, Filinvest Land and its subsidiaries employed 1,607 employees, supporting operations across residential development, leasing, property management, marketing, and asset management functions.

### Workforce Composition (GRI 2-7)

| Rank          | 2023         | 2024         | 2025         |
|---------------|--------------|--------------|--------------|
| Executive     | 81           | 88           | 82           |
| Manager       | 414          | 455          | 404          |
| Supervisor    | 420          | 462          | 398          |
| Rank and File | 881          | 955          | 723          |
| <b>Total</b>  | <b>1,796</b> | <b>1,960</b> | <b>1,607</b> |

**Note:** The companies included in the headcount of FLI are from Real Estate Operations, which include subsidiaries from Leasing, Fund Management, Property and Office Management, Marketing, and Asset Operators under the Filinvest Land project lifecycle. The reduction in headcount is due to the transfer of employees to the newly established Filinvest shared services entity.

The Company’s workforce remains essential in supporting operations across residential development, leasing, property management, marketing, and asset management functions.

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## Diversity, Equity, and Inclusion

Filinvest Land promotes an inclusive workplace where career opportunities are accessible to all employees based on merit, competence, and performance.

Women comprise **60% of the Company’s workforce**, demonstrating strong representation across various roles. Female leadership representation remains significant, with women holding **45% of executive positions**.

### Workforce by Gender (GRI 405-1)

| Rank   | 2023  | 2024  | 2025  |
|--------|-------|-------|-------|
| Female | 1,062 | 1184  | 960   |
| Male   | 734   | 776   | 647   |
| Total  | 1,796 | 1,960 | 1,607 |

### Workforce by Age (GRI 405-1)

| Rank               | 2023                | 2024  | 2025  |
|--------------------|---------------------|-------|-------|
| Under 30 years old | <i>Not reported</i> | 720   | 526   |
| 30 – 50 years old  | <i>Not reported</i> | 1083  | 958   |
| Over 50 years old  | <i>Not reported</i> | 157   | 123   |
| Total              | 1,796               | 1,960 | 1,607 |

This balanced representation reflects Filinvest Land's commitment to maintaining a workplace environment that values diversity and equal opportunity.

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## Learning and Development and Employee Engagement

Developing the capabilities of its workforce remains essential to Filinvest Land's ability to deliver quality developments and sustain long-term business growth.

Filinvest Land continues to support employee development through a range of learning opportunities designed to strengthen professional capabilities, leadership skills, and operational competencies across the organization.

In 2025, employees recorded an average of 29 learning hours per employee, compared to over 40 hours in the previous year. Total training hours for the year were also lower than the prior reporting period.

The change reflects organizational developments during the year, including the transfer of more than 250 employees to Filinvest Shared Services following the establishment of the Filinvest Business Services Corporation. As a result, training programs delivered to these employees are no longer captured under Filinvest Land's training metrics.

In addition, the Company continues to explore ways to improve the learning management system to capture self-initiated learning activities undertaken by employees outside the

centralized learning management system to provide a more comprehensive view of employee development.

Despite these changes in reporting coverage, Filinvest Land remains committed to supporting continuous learning and professional growth through internal training programs, leadership development initiatives, and access to external learning opportunities.

The Company also implements an **Annual Performance Management System**, enabling employees to set performance goals, receive structured feedback, and identify career development pathways. These initiatives support the continuous development of technical expertise, leadership capabilities, and professional growth across the organization.

*GRI 404-1 (Average hours of training per employee), GRI 404-2 (Programs for upgrading employee skills)*

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### Employee Training *(GRI 404-1)*

In 2025, Filinvest Land recorded a total of **44,071 training hours**, with an average of **29 training hours per employee**.

| Rank            | Average Training hours |
|-----------------|------------------------|
| Executive       | 35                     |
| Manager         | 21                     |
| Supervisor      | 33                     |
| Rank and File   | 24                     |
| Overall Average | 29                     |

These learning initiatives help ensure that employees remain equipped to support evolving operational and industry requirements.

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### Employee Well-being and Benefits

Filinvest Land provides a comprehensive benefits package designed to support employee well-being and financial security.

Benefits available to full-time employees include:

- Health Maintenance Organization (HMO) coverage
- Group Life and Accident Insurance
- Paid leaves (vacation, illness, maternity, paternity, bereavement, calamity, birthday leave)

- Employee Home Discount and Assistance Program
- Car Financing Plan for eligible employees
- Educational Loan Program for eligible employees
- Emergency Load Fund support

Employee recognition is also promoted through programs such as:

- FilBest Awards
- Filinvest Service Awards

These programs reinforce employee motivation and recognize contributions across the organization.

Filinvest Land continues to prioritize employee engagement, well-being and retention as part of its human capital strategy. Through learning and development initiatives, structured performance management, and employee engagement programs, the Company aims to foster a supportive and growth-oriented work environment.

In 2025, employee attrition remained generally consistent with the previous year, reflecting continued workforce stability across the organization. Filinvest Land continues to strengthen its people programs to support employee development, well-being, and long-term career growth within the Company.

*GRI 401-2 (Benefits provided to full-time employees)*

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## Occupational Health and Safety

Filinvest Land maintains a strong commitment to workplace health and safety across its operations, including project sites, property operations, and partner contractors.

The Company implements a comprehensive safety framework supported by:

- Occupational Health and Safety (OHS) Programs
- Accident Prevention Programs
- Code of Safe Practices
- Emergency preparedness drills

Regular fire and earthquake drills are conducted in coordination with local authorities to strengthen emergency preparedness.

In 2025, Filinvest Land recorded **zero work-related fatalities** across its workforce and supply chain.

## Safety Performance (GRI 403-9)

| Indicator               | 2024       | 2025       |
|-------------------------|------------|------------|
| Total Safe Man-hours    | 26,535,782 | 24,908,151 |
| Work-related injuries   | 0          | 0          |
| Work-related fatalities | 0          | 0          |
| Work-related illnesses  | 0          | 0          |

A total of 33 emergency drills and simulations were conducted during the year, covering scenarios such as fire incidents, earthquakes, severe weather events, medical emergencies, and security situations. These initiatives support the Company's commitment to maintaining safe working environments across its developments.

*GRI 403-1 (Occupational health and safety management system)*

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## Community Development

Filinvest Land supports the communities where it operates through employee volunteerism and corporate social responsibility initiatives designed to respond to local needs. Through these programs, the Company contributes to community resilience and well-being while encouraging employees to participate in meaningful social initiatives.

In 2025, Filinvest Land implemented several community initiatives, including:

- Disaster relief operations
- Medical outreach programs
- Coastal clean-up activities
- Tree planting initiatives
- School donations and community support

Through **Pusong Filinvest Relief Operations**, the Company assisted approximately more than **5600 families** affected by disasters, including typhoons, floods, and fires.

Environmental stewardship activities were also conducted through coastal clean-ups and mangrove tree planting initiatives in Cebu, where employees planted **1,000 mangrove seedlings** and donated tools to partner communities.

*GRI 413-1 (Operations with local community engagement & development programs)*

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## Data Privacy and Information Security

Filinvest Land is committed to protecting personal information and maintaining responsible data management practices.

The Company complies with the **Data Privacy Act of 2012** and the guidelines of the National Privacy Commission. Information security systems are continuously strengthened to protect the personal data of customers, employees, and stakeholders.

Security measures implemented include:

- Firewall protection systems
- Endpoint security tools
- Information security awareness programs
- Security simulations and testing

Filinvest Land reported **zero data breaches** during the reporting period, reflecting the effectiveness of its data protection controls.

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## Strengthening Communities and Social Impact

Through its focus on housing accessibility, human capital development, workplace safety, and community engagement, Filinvest Land continues to strengthen its social impact.

By integrating these initiatives into its operations, the Company contributes to creating inclusive communities, empowering employees, and delivering developments that support long-term economic and social progress for Filipino families.

Delivering positive social outcomes requires strong governance systems that guide responsible decision-making and ethical business conduct. Filinvest Land integrates its social commitments with robust governance practices to ensure accountability, transparency, and long-term value creation for its stakeholders.

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# GOVERNANCE

## Sustainability Governance and Oversight

Filinvest Land's approach to sustainability is guided by its Sustainability Framework and supported through the Company's enterprise risk management framework and corporate governance processes. Sustainability-related risks and opportunities are considered as part of the Company's broader risk management approach, which aligns risk management activities with the Group's strategic, sustainability, and governance objectives.

The Board of Directors provides overall governance oversight, with support from the Audit and Risk Management Oversight Committee (ARMOC). The Committee assists the Board in overseeing the effectiveness of the Enterprise Risk Management (ERM) framework and ensuring that risk management processes are integrated across the organization.

Management teams support the implementation of sustainability initiatives and provide inputs to the risk management and governance processes where relevant.

Through this framework, environmental, social, regulatory, and operational risks are evaluated as part of the Company's ongoing approach to managing business risks and supporting long-term value creation.

Further details on the Company's governance structure and committee responsibilities are discussed in the **Corporate Governance section of the Annual Report**.

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## Ethics and Compliance

Filinvest Land maintains policies and procedures that promote ethical conduct, transparency, and regulatory compliance across its operations. The Company's **Code of Business Conduct and Ethics** guides employees in upholding integrity, accountability, and responsible business practices.

Mechanisms are in place for reporting concerns and potential violations, ensuring that employees and stakeholders have appropriate channels to raise issues and seek resolution.

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## **Risk Management and Sustainability Integration**

Sustainability-related risks and opportunities are considered within the Company's enterprise risk management processes. Environmental, operational, regulatory, and climate-related considerations are evaluated as part of the Company's approach to managing long-term business risks and opportunities.

Additional discussion on sustainability-related risks and opportunities is presented in the **SRRO section of this report**.

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## **Data Privacy and Information Protection**

Filinvest Land implements policies and security measures to protect personal information entrusted by customers, employees, and stakeholders. The Company complies with the requirements of the **Philippine Data Privacy Act of 2012** and promotes responsible data handling across its operations.

Further discussion on customer data protection practices is presented in the **Social chapter of this report**.

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# **ECONOMIC PERFORMANCE**

## **Economic Value Creation**

Filinvest Land contributes to economic development through its real estate developments, business operations, and partnerships across the value chain. By developing residential communities, office and commercial developments, industrial estates, and mixed-use townships, the Company supports employment generation, business activity, and infrastructure development in the areas where it operates.

Through its operations, Filinvest Land generates economic value that is distributed among key stakeholders, including employees, suppliers, capital providers, government, and the communities it serves. This value distribution reflects the Company's role in supporting economic activity while sustaining long-term business growth.

Further discussion on the Company's financial and operating performance is presented in the Annual Report.



## Economic Value Generated and Distributed

Filinvest Land generates revenue through property development, leasing operations, and related services. The economic value created through these activities is distributed across operating costs, employee compensation, payments to capital providers, taxes paid to the government, and community investments.

| Year                                                                | 2023                 | 2024       | 2025       |
|---------------------------------------------------------------------|----------------------|------------|------------|
| GRI Economic Disclosure                                             | Amount in ('000 PHP) |            |            |
| Direct Economic Value Generated (revenue)                           | 22,554,334           | 24,445,898 | 25,898,351 |
| Direct Economic Value Distributed:                                  |                      |            |            |
| a. Operating costs                                                  | 11,800,774           | 18,805,527 | 20,211,422 |
| b. Employee wages and benefits                                      | 1,683,280            | 1,977,941  | 1,872,656  |
| c. Payments to suppliers, and other operating costs                 | 11,222,827           | 10,938,268 | 11,593,960 |
| d. Dividends given to stockholders and interest payments to lenders | 1,535,380            | 7,151,387  | 7,876,544  |
| e. Taxes paid to the government                                     | 576,492              | 22,487     | 1,721,487  |
| f. Community social investments                                     | 1,000                | 1,400      | 1,908      |

This distribution of economic value demonstrates the Company's contribution to the broader economy by supporting employment, business partners, and public sector revenues.

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## Supporting Local Economies Through Procurement

Filinvest Land works with a wide network of contractors, suppliers, and service providers that support the development and operation of its projects across the Philippines. These partnerships play an important role in strengthening local supply chains and supporting economic activity in the communities where the Company operates.

In 2025, approximately 97% of the Company's procurement spending, amounting to PHP 826 million, was allocated to local suppliers. Prioritizing local procurement helps stimulate local economic growth while supporting cost efficiency and supply chain reliability.

# EESG Performance Metrics

## A. ECONOMIC PERFORMANCE

| Direct Economic Value Generated and Distributed<br>(GRI 201-1)                                                 | 2023       | 2024       | 2025       |
|----------------------------------------------------------------------------------------------------------------|------------|------------|------------|
|                                                                                                                | ('000 PHP) | ('000 PHP) | ('000 PHP) |
| Direct economic value generated (revenue)                                                                      | 22,554,334 | 24,445,898 | 25,898,351 |
| Direct economic value distributed                                                                              |            |            |            |
| a. Operating costs                                                                                             | 11,800,774 | 18,805,527 | 20,211,422 |
| b. Employee wages and benefits                                                                                 | 1,683,280  | 1,977,941  | 1,872,656  |
| c. Payments to suppliers and other operating costs                                                             | 11,222,827 | 10,938,268 | 11,593,960 |
| d. Dividends given to stockholders and interest payments to lenders (does not include principal debt payments) | 1,535,380  | 7,151,387  | 7,876,544  |
| e. Taxes paid to the government                                                                                | 576,492    | 22,487     | 1,721,487  |
| f. Community investments                                                                                       | 1,000      | 1,400      | 1,908      |

### Procurement Practices

| Proportion of Spending on Local Suppliers<br>(GRI 204-1)                                                       | 2023 | 2024 | 2025 |
|----------------------------------------------------------------------------------------------------------------|------|------|------|
| Percentage of procurement budget used for significant locations of operations that is spent on local suppliers | 99%  | 81%  | 97%  |

Note: The geographic definition of 'local' is based on the region of the country where there are FLI operations.

### Anti-corruption

| Trainings on Anti-corruption Policies and Procedures<br>(GRI 205-2)                                                             | 2023 | 2024 | 2025 |
|---------------------------------------------------------------------------------------------------------------------------------|------|------|------|
| Percentage of employees who have received written communication about corporate anti-corruption policies and procedures         | 0%   | 0%   | 0%   |
| Percentage of business partners who have received written communication about corporate anti-corruption policies and procedures | 0%   | 0%   | 0%   |
| Percentage of directors and management who have received anti-corruption training                                               | 100% | 100% | 100% |

|                                                                    |      |      |      |
|--------------------------------------------------------------------|------|------|------|
| Percentage of employees who have received anti-corruption training | 100% | 100% | 100% |
|--------------------------------------------------------------------|------|------|------|

| <b>Incidents of corruption<br/>(GRI 205-3)</b>                                              | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|---------------------------------------------------------------------------------------------|-------------|-------------|-------------|
| Number of incidents in which directors were removed or disciplined for corruption           | 0           | 0           | 0           |
| Number of incidents in which employees were dismissed or disciplined for corruption         | 0           | 0           | 0           |
| Number of incidents when contracts with business partners were terminated due to corruption | 0           | 0           | 0           |

## B. ENVIRONMENTAL PERFORMANCE

### Resource Management

| <b>Energy Consumption<br/>(GRI 302-1)</b>            | <b>Unit</b> | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|------------------------------------------------------|-------------|-------------|-------------|-------------|
| Gasoline – property operations                       | L           | 115,538     | 90,556      | 133,329     |
| Diesel – property operations                         | L           | 209,932     | 214,220     | 379,916     |
| Diesel – construction projects                       | L           | 840,207     | 695,908     | 1,108,235   |
| Electricity (renewable) – common area                | KWH         | 6,624,488   | 11,267,418  | 26,633,578  |
| Electricity (renewable) – total area                 | KWH         | 23,462,168  | 35,471,855  | 66,911,863  |
| Electricity (non-renewable) – common area            | KWH         | 63,317,092  | 57,837,290  | 45,244,716  |
| Electricity (non-renewable) - total area             | KWH         | 139,172,317 | 129,566,905 | 103,115,667 |
| Electricity (RE & non-RE) – common area              | KWH         | 69,941,580  | 69,104,708  | 71,878,294  |
| Electricity (RE & non-RE) -- total area              | KWH         | 162,634,485 | 165,038,760 | 170,027,530 |
| Electricity – construction projects (non-RE)         | KWH         | 3,381,122   | 2,608,336   | 2,244,708   |
| Total Electricity – property ops (common) & projects | KWH         | 73,322,702  | 71,713,044  | 74,123,002  |

Note: Renewables consumption by FILRT and non-FILRT offices from (purchased electricity from renewables) Festival Mall (rooftop solar) and other FLI residential properties.

| <b>Energy Consumption<br/>(GRI 302-1)</b>                | Unit | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|----------------------------------------------------------|------|-------------|-------------|-------------|
| Gasoline – property operations                           | GJ   | 3,951       | 3,097       | 4,560       |
| Diesel – property operations                             | GJ   | 8,103       | 8,269       | 14,665      |
| Diesel – construction projects                           | GJ   | 32,432      | 26,862      | 42,778      |
| Electricity (renewable) – common area                    | GJ   | 23,848      | 40,563      | 95,881      |
| Electricity (renewable) – total area                     | GJ   | 84,464      | 127,699     | 240,883     |
| Electricity (non-renewable) – common area                | GJ   | 227,942     | 208,214     | 162,881     |
| Electricity (non-renewable) - total area                 | GJ   | 501,020     | 466,441     | 371,216     |
| Electricity (RE & non-RE) – common area                  | GJ   | 251,790     | 248,777     | 258,762     |
| Electricity (RE & non-RE) - total area                   | GJ   | 585,484     | 594,140     | 612,099     |
| Electricity – construction projects (non-RE)             | GJ   | 12,172      | 9,390       | 8,081       |
| Total Electricity – property ops (common) & projects KWH | GJ   | 263,962     | 258,167     | 266,843     |

Energy Density conversion: Gasoline –0.0342 GJ/L, Diesel –0.0386 GJ/L, Electricity – 0.0036 GJ/KWH

| <b>Water Consumption<br/>(GRI 303-5)</b> | Unit | <b>2023</b>   | <b>2024</b> | <b>2025</b> |
|------------------------------------------|------|---------------|-------------|-------------|
| Water used – common area                 | m³   | No disclosure |             | 1,268,069   |
| Water used – total area                  | m³   | 3,379,141     | 2,922,847   | 3,073,703   |
| Water recycled and reused                | m³   | 95,648        | 59,383      | 50,936      |

*Note: Water used covers property management and construction projects*

| <b>Materials Used<br/>(GRI 301-1)</b>                                                                       | Unit   | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|-------------------------------------------------------------------------------------------------------------|--------|-------------|-------------|-------------|
| Materials Used – steel                                                                                      | Tonnes | 12,707      | 4,202       | 3,546       |
| Materials Used – cement                                                                                     | Tonnes | 35,388      | 27,202      | 9,639       |
| Recycled waste for construction                                                                             | Tonnes | Nil         | 11          | Nil         |
| Percentage of recycled input materials used to manufacture the organization’s primary products and services | %      | <1%         | <1%         | <1%         |

| <b>Ecosystems and Biodiversity<br/>(GRI 304-1 &amp; 304-3)</b>                                                                    | <b>2023</b>                                                                                                                                                                                                                                                                                                                                                                                                                            | <b>2024</b> | <b>2025</b> |
|-----------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Operational sites owned, leased in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas. | <p>Filinvest Land's developments are mostly located in highly populated areas where there is no immediate threat of human activity on biodiversity.</p> <p>The Timberland township is adjacent to but not within the boundaries or the buffer zone of the Upper Marikina Watershed Protected Landscape.</p> <p>The existing land bank also does not contain parcels of land within protected areas classified under the NIPAS Act.</p> |             |             |
| Habitats protected or restored                                                                                                    | None                                                                                                                                                                                                                                                                                                                                                                                                                                   |             |             |
| IUCN Red List species and national conservation list species with habitats in areas affected by operations                        | None                                                                                                                                                                                                                                                                                                                                                                                                                                   |             |             |

## Environmental Impact Management

| <b>Greenhouse Gas Emissions<br/>(GRI 305-1, 305-2, 305-3, 305-6)</b>    | <b>Unit</b>               | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|-------------------------------------------------------------------------|---------------------------|-------------|-------------|-------------|
| Direct Emissions (Scope 1) – diesel and gasoline – property operations  | Tonnes CO <sub>2</sub> -e | 837         | 831         | 682         |
| Direct Emissions (Scope 1) – diesel – projects                          | Tonnes CO <sub>2</sub> -e | 2,274       | 2,025       | 3,225       |
| Direct Emissions (Scope 1) – diesel – property operations & projects    | Tonnes CO <sub>2</sub> -e | 2,842       | 2,649       | 3,885       |
| Indirect Emissions (Scope 2) – purchased electricity, common areas only | Tonnes CO <sub>2</sub> -e | 45,094      | 41,192      | 33,822      |
| Indirect Emissions (Scope 2) – purchased electricity, total area        | Tonnes CO <sub>2</sub> -e | 99,119      | 92,278      | 73,439      |
| Indirect Emissions (Scope 2) – purchased electricity, projects          | Tonnes CO <sub>2</sub> -e | 2,408       | 1,858       | 1,599       |
| Total GHG Emissions (Scope 1 & 2) – property operations, common area    | Tonnes CO <sub>2</sub> -e | 45,931      | 42,023      | 34,504      |
| Total GHG Emissions (Scope 1 & 2) – property operations, total area     | Tonnes CO <sub>2</sub> -e | 99,956      | 93,109      | 74,121      |
| Total GHG Emissions (Scope 1 & 2) – projects                            | Tonnes CO <sub>2</sub> -e | 4,682       | 3,883       | 4,824       |

| <b>Greenhouse Gas Emissions<br/>(GRI 305-1, 305-2, 305-3, 305-6)</b>               | Unit                      | <b>2023</b>   | <b>2024</b>   | <b>2025</b>   |
|------------------------------------------------------------------------------------|---------------------------|---------------|---------------|---------------|
| Total GHG Emissions (Scope 1 & 2) –property operations (common areas) and projects | Tonnes CO <sub>2</sub> -e | 50,613        | 45,906        | 39,328        |
| Total GHG Emissions (Scope 1 & 2) –property operations (total areas) and projects  | Tonnes CO <sub>2</sub> -e | 104,637       | 96,992        | 78,945        |
| Avoided GHG emissions                                                              | Tonnes CO <sub>2</sub> -e | 16,710        | 25,263        | 47,717        |
| Emissions of ozone-depleting substances (ODS)                                      | Tonnes CO <sub>2</sub> -e | No disclosure | No disclosure | No disclosure |

Notes:

- Scope 2 applies only to non-RE KWH consumption.
- FILRT buildings are powered by renewable energy.
- The corresponding GHG emissions of DCS on behalf of FILRT are a Scope 3 disclosure for FILRT and are covered as Scope 2 by FLI.
- Diesel EF: 2.706 kg CO<sub>2</sub> per liter
- Luzon-Visayas Grid EF: 0.7122 tons CO<sub>2</sub> per MWH

| <b>Air Pollutant Emissions<br/>(GRI 305-7)</b> | Unit | <b>2022</b>                                                                                                                                                                                                                                                       | <b>2023</b> | <b>2024</b> |
|------------------------------------------------|------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|-------------|
| Nitrogen oxides (NOx)                          | Kg   | Deemed immaterial. Standby gensets are operated only for a few minutes during preventive maintenance. The environmental regulator does not require testing and disclosure of air pollutant emissions if gensets are only run for periodic preventive maintenance. |             |             |
| Sulfur oxides (SOx)                            | Kg   |                                                                                                                                                                                                                                                                   |             |             |
| Persistent Organic Pollutants (POP)            | Kg   |                                                                                                                                                                                                                                                                   |             |             |
| Volatile organic compounds (VOC)               | Kg   |                                                                                                                                                                                                                                                                   |             |             |
| Hazardous air pollutants (HAP)                 | Kg   |                                                                                                                                                                                                                                                                   |             |             |

| <b>Solid Wastes Generation<br/>(GRI 306-3, 306-4, 306-5)</b> | Unit   | <b>2023</b>        | <b>2024</b> | <b>2025</b> |
|--------------------------------------------------------------|--------|--------------------|-------------|-------------|
| Reusable                                                     | Tonnes | Data not available | 2.26        | 1,943       |
| Recyclable                                                   | Tonnes | 256                | 224         |             |
| Composted                                                    | Tonnes | 639                | 0           | 0           |
| Residuals (landfilled)                                       | Tonnes | 10,266             | 17,512      | 11,171      |
| Total                                                        | Tonnes | 11,161             | 17,738      | 13,114      |

| <b>Hazardous Wastes<br/>(GRI 306-4, 306-5)</b> | Unit | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|------------------------------------------------|------|-------------|-------------|-------------|
| Hazardous wastes generated                     | Kg   | 292,924     | 40,821      | 16,833      |
| Hazardous wastes transported and treated       | Kg   | 5,950       | 0           | 139         |

| <b>Effluents<br/>(GRI 303-4)</b>   | Unit           | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|------------------------------------|----------------|-------------|-------------|-------------|
| Wastewater generated – total area  | m <sup>3</sup> | 2,043,877   | 1,847,830   | 1,717,556   |
| Total volume of effluent discharge | m <sup>3</sup> | 1,639,274   | 1,806,502   | 1,686,452   |
| Total volume of effluent reused    | m <sup>3</sup> | 95,648      | 59,383      | 50,936      |
| Percent of effluent recycled       | m <sup>3</sup> | 4.68%       | 3.21.%      | 2.97%       |

Notes:

Wastewater generation attributable to FLI (incl. FILRT) property operations within Filinvest City are estimated as a fraction of the total influent measured in the centralized sewage treatment plant of the estate. This return factor changes from year to year. The same ratio applies to the estimation of effluent discharge and reuse. Recycled effluent is treated wastewater that is used internally in STP operations as well as irrigation of public spaces within Filinvest City.

| <b>Environmental Compliance<br/>(GRI 2-27)</b>                                               | Unit | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|----------------------------------------------------------------------------------------------|------|-------------|-------------|-------------|
| Total amount of monetary fines for non-compliance with environmental laws and/or regulations | PHP  | 0           | 0           | 0           |

## C. SOCIAL PERFORMANCE

### Employee Management

| Employee Hiring and Benefits (GRI 401-1)           | 2023  |      |        | 2024  |      |        | 2025  |      |        |
|----------------------------------------------------|-------|------|--------|-------|------|--------|-------|------|--------|
|                                                    | Total | Male | Female | Total | Male | Female | Total | Male | Female |
| Total number of regular employees                  | 1,796 | 734  | 1,062  | 1,960 | 776  | 1,184  | 1,607 | 647  | 960    |
| Voluntary attrition rate                           | 25%   |      |        | 17%   |      |        | 17%   |      |        |
| Ratio of lowest paid employee against minimum wage | 1.04  |      |        | 1.03  |      |        | 1.03  |      |        |

### Employee Training and Development

| Employee Training and Development (GRI 404-1) | 2023          |        |        | 2024          |        |        | 2025          |        |        |
|-----------------------------------------------|---------------|--------|--------|---------------|--------|--------|---------------|--------|--------|
|                                               | Total         | Male   | Female | Total         | Male   | Female | Total         | Male   | Female |
| Total training hours provided to employees    | <b>74,730</b> | 15,460 | 32,270 | <b>89,249</b> | 36,181 | 53,086 | <b>44,071</b> | 18,871 | 25,200 |
| Average training hours provided to employees  | <b>42</b>     | 40     | 44     | <b>46</b>     | 47     | 45     | <b>29</b>     | 31     | 27     |



## Diversity and Equal Opportunity

| Diversity and Equal Opportunity<br>(GRI 405-1)                           | 2023  |      |        | 2024  |      |        | 2025  |      |        |
|--------------------------------------------------------------------------|-------|------|--------|-------|------|--------|-------|------|--------|
|                                                                          | Total | Male | Female | Total | Male | Female | Total | Male | Female |
| % of workers in the workforce by gender                                  | 100%  | 41%  | 59%    | 100%  | 40%  | 60%    | 100%  | 40%  | 60%    |
| Number of employees from Indigenous communities and/or vulnerable sector | 0     |      |        | 0     |      |        | 0     |      |        |

## Workplace Conditions and Occupational Health and Safety

| Occupational Health and Safety<br>(GRI 403-9, 403-10)          | 2023       | 2024       | 2025      |
|----------------------------------------------------------------|------------|------------|-----------|
| Safe manhours (Filinvest employees – property operations & HQ) | 2,071,004  | 2,278,450  | 2,144,464 |
| Safe manhours (Filinvest employees – projects)                 | 6,804,401  | 6,147,557  | 4,105,549 |
| Safe manhours (service providers)                              | 6,799,997  | 6,324,630  | 9,053,365 |
| Safe manhours (contractors)                                    | 19,826,204 | 11,785,145 | 9,604,773 |
| Number of work-related injuries                                | 2          | 0          | 0         |
| Number of work-related fatalities                              | 0          | 0          | 0         |
| Number of work-related ill-health                              | 2          | 0          | 0         |
| Number of safety drills                                        | 838        | 314        | 33        |

## Labor Management Relations

| <b>Labor Management Relations<br/>(GRI 2-30)</b>                                      | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|---------------------------------------------------------------------------------------|-------------|-------------|-------------|
| % of employees covered by Collective Bargaining Agreements                            | 0           | 0           | 0           |
| Number of consultations conducted with employees concerning employee-related policies | 2           | 0           | 0           |

## Labor Standards and Human Rights

| <b>Labor Laws and Human Rights</b>                                                                                       | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|--------------------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|
| Policies that explicitly disallow violations of labor laws and human rights (e.g. harassment, bullying in the workplace) | 4           | 4           | 4           |
| Number of legal actions or employee grievances involving forced or child labor                                           | 0           | 0           | 0           |

Note: These are policies and regulations adopted by FLI and its subsidiaries, as well as the FDC parent.

## Relationship with Community

| <b>Significant Impacts on Local Communities<br/>(GRI 413-1)</b>                                                                                  | <b>2023</b>                                                                                     | <b>2024</b> | <b>2025</b> |
|--------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|-------------|-------------|
| For operations affecting IPs, total number of Free and Informed Prior Consent (FPIC) consultations and Certification Preconditions (CPs) secured | FLI's operations are not located in any sites that have the presence of indigenous communities. |             |             |

## Customer Management

| <b>Customer Satisfaction</b> | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|------------------------------|-------------|-------------|-------------|
| Customer Satisfaction Score  | 81%         | 92%         | 84%         |

Note: Filinvest Land undertakes customer satisfaction surveys annually.

| <b>Product/Service Health and Safety (GRI 416-2)</b>                       | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|----------------------------------------------------------------------------|-------------|-------------|-------------|
| Number of substantiated complaints on product or service health and safety | 0           | 0           | 0           |
| Number of complaints addressed                                             | 0           | 0           | 0           |

| <b>Marketing and Labeling (GRI 417-2, 417-3)</b>                                 | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|----------------------------------------------------------------------------------|-------------|-------------|-------------|
| Number of substantiated complaints on product and service marketing and labeling | 367         | 0           | 0           |
| Number of complaints addressed                                                   | 231         | 0           | 0           |

| <b>Customer Privacy (GRI 418-1)</b>                                                              | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|--------------------------------------------------------------------------------------------------|-------------|-------------|-------------|
| Number of substantiated complaints on customer privacy                                           | 0           | 0           | 0           |
| Number of complaints addressed                                                                   | 0           | 0           | 0           |
| Number of customers, users, and account holders whose information is used for secondary purposes | 0           | 0           | 0           |

## Data Security and Privacy

| <b>Data Security (GRI 418-1)</b>                                  | <b>2023</b> | <b>2024</b> | <b>2025</b> |
|-------------------------------------------------------------------|-------------|-------------|-------------|
| Number of data breaches, including leaks, thefts and loss of data | 0           | 0           | 0           |

# SEC Content Index

| Disclosures                                             | Reporting location | Remarks/ explanation                                                     |
|---------------------------------------------------------|--------------------|--------------------------------------------------------------------------|
| Company details                                         |                    |                                                                          |
| Name of Organization                                    | About This Report  | Filinvest Land, Inc.                                                     |
| Location of Headquarters                                |                    | 79 Epifanio de los Santos Ave,<br>Mandaluyong City,<br>Metro Manila 1550 |
| Location of Operations                                  |                    | Philippines                                                              |
| Report Boundary: Legal entities included in this report |                    | Filinvest Land, Inc.                                                     |
| Business Model                                          |                    | Property Development                                                     |
| Reporting Period                                        |                    | January 1 – December 31, 2025                                            |
| Highest Ranking Person for this report                  |                    | Head of Investor Relations                                               |

| A. Economic disclosures                         |                                           | Reporting location                                                             | Remarks/ explanation                                                                                 |
|-------------------------------------------------|-------------------------------------------|--------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| Economic Performance                            |                                           |                                                                                |                                                                                                      |
| Direct Economic Value Generated and Distributed |                                           |                                                                                |                                                                                                      |
| General Disclosures                             | Management Approach                       | Economic Performance                                                           | EESG Performance Metrics – Economic Disclosures                                                      |
|                                                 | The Impact and Where it Occurs            |                                                                                |                                                                                                      |
|                                                 | Stakeholders Affected                     |                                                                                |                                                                                                      |
| KPIs                                            | Direct economic value generated (Revenue) |                                                                                |                                                                                                      |
|                                                 | Direct economic value distributed         |                                                                                |                                                                                                      |
| Climate-Related Risks and Opportunities         |                                           |                                                                                |                                                                                                      |
| General Disclosures                             | Governance                                | Integration of Sustainability-Related Risks and Opportunities (SRROs & CRRO’s) | Assessment of Filinvest assets in partnership with a reputable 3 <sup>rd</sup> party climate advisor |
|                                                 | Strategy                                  |                                                                                |                                                                                                      |
|                                                 | Risk Management                           |                                                                                |                                                                                                      |
|                                                 | Metrics and Targets                       |                                                                                |                                                                                                      |

| A. Economic disclosures                             |                                                                                                                                 | Reporting location   | Remarks/ explanation                                                                                                                     |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Procurement Practices                               |                                                                                                                                 |                      |                                                                                                                                          |
| Proportion of Spending on Local Suppliers           |                                                                                                                                 |                      |                                                                                                                                          |
| General Disclosures                                 | Management Approach                                                                                                             | Economic Performance | All major procurement is undertaken by SharePro, a shared services company that serves the Filinvest Group, spun off from Filinvest Land |
|                                                     | The Impact and Where it Occurs                                                                                                  |                      |                                                                                                                                          |
|                                                     | Stakeholders Affected                                                                                                           |                      |                                                                                                                                          |
| KPI                                                 | Percentage of procurement budget used for significant locations of operations that is spent on local suppliers                  |                      |                                                                                                                                          |
| Anti-Corruption                                     |                                                                                                                                 |                      |                                                                                                                                          |
| Training on Anti-Corruption Policies and Procedures |                                                                                                                                 |                      |                                                                                                                                          |
| General Disclosures                                 | Management Approach                                                                                                             | Corporate Governance | More information can be found in the Corporate Governance disclosures in the Annual Report of FLI                                        |
|                                                     | The Impact and Where it Occurs                                                                                                  |                      |                                                                                                                                          |
|                                                     | Stakeholders Affected                                                                                                           |                      |                                                                                                                                          |
|                                                     | Percentage of employees who have received written communication about corporate anti-corruption policies and procedures         |                      |                                                                                                                                          |
| KPIs                                                | Percentage of business partners who have received written communication about corporate anti-corruption policies and procedures |                      |                                                                                                                                          |
|                                                     | Percentage of directors and management who have received anti-corruption training                                               |                      |                                                                                                                                          |
|                                                     | Percentage of employees who have received anti-corruption training                                                              |                      |                                                                                                                                          |

| A. Economic disclosures |                                                                                             | Reporting location                                        | Remarks/ explanation                                                                               |
|-------------------------|---------------------------------------------------------------------------------------------|-----------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| Incidents of Corruption |                                                                                             |                                                           |                                                                                                    |
| General Disclosures     | Management Approach                                                                         | Corporate Governance<br><br>&<br><br>Economic Performance | More information can be found in the Corporate Governance disclosures in the Annual Report of FLI. |
|                         | The Impact and Where it Occurs                                                              |                                                           |                                                                                                    |
|                         | Stakeholders Affected                                                                       |                                                           |                                                                                                    |
| KPIs                    | Number of incidents in which directors were removed or disciplined for corruption           |                                                           |                                                                                                    |
|                         | Number of incidents in which employees were dismissed or disciplined for corruption         |                                                           |                                                                                                    |
|                         | Number of incidents when contracts with business partners were terminated due to corruption |                                                           |                                                                                                    |

| B. Environment Disclosures                                                     |                                           | Reporting location        | Remarks/ explanation                                                                                                                                                                                                                                                                                                                                                                               |
|--------------------------------------------------------------------------------|-------------------------------------------|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Resource Management                                                            |                                           |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
| Energy consumption within the organization and Reduction of Energy Consumption |                                           |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
| General Disclosures                                                            | Management Approach                       | Environmental Performance |                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                | The Impact and Where it Occurs            |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                | Stakeholders Affected                     |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
| KPIs                                                                           | Energy consumption - by fuel type         |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                | Energy reduction - by fuel type           |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
| Water consumption within the organization                                      |                                           |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
| General Disclosures                                                            | Management Approach                       | Environmental Performance | Water consumed by FLI communities and office spaces are sourced from public water utilities where possible, but standby deep wells may be resorted to if the public services are unavailable or unreliable. When public utilities do not have sewerage infrastructure, FLI sets up its own wastewater infrastructure and is operated by the Filinvest Group's water utility operations subsidiary. |
|                                                                                | The Impact and Where it Occurs            |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                | Stakeholders Affected                     |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                | ESG Risks and Opportunities               |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
| KPIs                                                                           | Water consumption within the organization |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                | Water withdrawal                          |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                | Water consumption                         |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                                                                | Water recycled and reused                 |                           |                                                                                                                                                                                                                                                                                                                                                                                                    |

| B. Environment Disclosures               |                                                                                                                                  | Reporting location        | Remarks/ explanation                                                                                                                               |
|------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|---------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|
| Materials Used by the Organization       |                                                                                                                                  |                           |                                                                                                                                                    |
| General Disclosures                      | Management Approach                                                                                                              | Environmental Performance |                                                                                                                                                    |
|                                          | The Impact and Where it Occurs                                                                                                   |                           |                                                                                                                                                    |
|                                          | Stakeholders Affected                                                                                                            |                           |                                                                                                                                                    |
| KPIs                                     | Materials used by weight or volume                                                                                               |                           | The main materials used in the construction of FLI projects are steel and cement. Water consumption of projects is also tracked.                   |
|                                          | Percentage of recycled input materials used to manufacture the organization’s primary products and services                      |                           |                                                                                                                                                    |
| Ecosystems and Biodiversity              |                                                                                                                                  |                           |                                                                                                                                                    |
| General Disclosures                      | Management Approach                                                                                                              | Environmental Performance | Filinvest’s projects are not located in any biodiversity hotspots. All developments are granted Environmental Compliance Certificates by the DENR. |
|                                          | The Impact and Where it Occurs                                                                                                   |                           |                                                                                                                                                    |
|                                          | Stakeholders Affected                                                                                                            |                           |                                                                                                                                                    |
| KPIs                                     | Operational sites owned, leased in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas |                           |                                                                                                                                                    |
|                                          | Habitats protected or restored                                                                                                   |                           |                                                                                                                                                    |
|                                          | IUCN Red List species and national conservation list species with habitats in areas affected by operations                       |                           |                                                                                                                                                    |
| Environmental Impact Management          |                                                                                                                                  |                           |                                                                                                                                                    |
| Air Emissions - Green House Gasses (GHG) |                                                                                                                                  |                           |                                                                                                                                                    |
| General Disclosures                      | Management Approach                                                                                                              | Environmental Performance | Scope 1 emissions are due to the consumption of diesel for gensets installed on properties.                                                        |
|                                          | The Impact and Where it Occurs                                                                                                   |                           |                                                                                                                                                    |
|                                          | Stakeholders Affected                                                                                                            |                           |                                                                                                                                                    |
|                                          | ESG Risks and Opportunities                                                                                                      |                           |                                                                                                                                                    |
| KPIs                                     | Direct (Scope 1) GHG Emissions                                                                                                   |                           | Scope 2 emissions are due to the electricity bought.                                                                                               |
|                                          | Energy indirect (Scope 2) GHG Emissions                                                                                          |                           |                                                                                                                                                    |
| KPIs                                     |                                                                                                                                  |                           | FILRT assets are sourced 100% renewables via the Open Access scheme, and one mall has on-site solar power generation.                              |
|                                          |                                                                                                                                  |                           |                                                                                                                                                    |

| B. Environment Disclosures |                                               | Reporting location | Remarks/ explanation |
|----------------------------|-----------------------------------------------|--------------------|----------------------|
|                            | Emissions of ozone-depleting substances (ODS) | --                 | Not material.        |

| B. Environment Disclosures |                                             | Reporting location        | Remarks/ explanation                                                                                                                                                                                                                                                                                                  |
|----------------------------|---------------------------------------------|---------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Air Pollutants             |                                             |                           |                                                                                                                                                                                                                                                                                                                       |
| General Disclosures        | Management Approach                         | Environmental Performance | Stationary gensets installed on properties are only used for short-duration testing during maintenance calls. Emissions are tested in accordance with the frequencies stipulated in the genset permit to operate issued by DENR. Quantities of air pollutants are deemed negligible as operations are not continuous. |
|                            | The Impact and Where it Occurs              |                           |                                                                                                                                                                                                                                                                                                                       |
|                            | Stakeholders Affected                       |                           |                                                                                                                                                                                                                                                                                                                       |
| KPIs                       | Nitrogen oxides (NOx)                       |                           |                                                                                                                                                                                                                                                                                                                       |
|                            | Sulfur oxides (SOx)                         |                           |                                                                                                                                                                                                                                                                                                                       |
|                            | Persistent organic pollutants (POPs)        |                           |                                                                                                                                                                                                                                                                                                                       |
|                            | Volatile organic compounds (VOCs)           |                           |                                                                                                                                                                                                                                                                                                                       |
|                            | Hazardous air pollutants (HAPs)             |                           |                                                                                                                                                                                                                                                                                                                       |
|                            | Particulate matter (PM)                     |                           |                                                                                                                                                                                                                                                                                                                       |
| Solid Waste                |                                             |                           |                                                                                                                                                                                                                                                                                                                       |
| General Disclosures        | Management Approach                         | Environmental Performance | FLI employs accredited service providers for the hauling and disposal of solid wastes in instances where the LGU is unable to fulfill its duties under RA 9003. Filinvest Land is currently exploring partnerships and synergies for the circular economy in real estate                                              |
|                            | The Impact and Where it Occurs              |                           |                                                                                                                                                                                                                                                                                                                       |
|                            | Stakeholders Affected                       |                           |                                                                                                                                                                                                                                                                                                                       |
| KPI                        | Total solid waste generated - by type       |                           |                                                                                                                                                                                                                                                                                                                       |
| Hazardous Waste            |                                             |                           |                                                                                                                                                                                                                                                                                                                       |
| General Disclosures        | Management Approach                         | Environmental Performance | FLI's operating units have respective Hazwaste IDs with the DENR and chain of custody documentation is in place when DENR-accredited service providers are engaged to transport, treat, and dispose of hazardous wastes.                                                                                              |
|                            | The Impact and Where it Occurs              |                           |                                                                                                                                                                                                                                                                                                                       |
|                            | Stakeholders Affected                       |                           |                                                                                                                                                                                                                                                                                                                       |
| KPIs                       | Total weight of hazardous waste generated   |                           |                                                                                                                                                                                                                                                                                                                       |
|                            | Total weight of hazardous waste transported |                           |                                                                                                                                                                                                                                                                                                                       |



| B. Environment Disclosures                             |                                                                                                | Reporting location        | Remarks/ explanation                                                                                                                                                                 |
|--------------------------------------------------------|------------------------------------------------------------------------------------------------|---------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Effluents                                              |                                                                                                |                           |                                                                                                                                                                                      |
| General Disclosures                                    | Management Approach                                                                            | Environmental Performance | FLI collects and treats wastewater in owned sewage treatment facilities where reliable sewerage services are not available from the local water utility.                             |
|                                                        | The Impact and Where it Occurs                                                                 |                           |                                                                                                                                                                                      |
|                                                        | Stakeholders Affected                                                                          |                           |                                                                                                                                                                                      |
| KPIs                                                   | Total volume of water discharges                                                               |                           |                                                                                                                                                                                      |
|                                                        | Percent of wastewater recycled                                                                 |                           |                                                                                                                                                                                      |
| Environmental Compliance                               |                                                                                                |                           |                                                                                                                                                                                      |
| Non-compliance with environmental laws and regulations |                                                                                                |                           |                                                                                                                                                                                      |
| General Disclosures                                    | Management Approach                                                                            | Environmental Performance | All of FLI's operating properties and pollution control officers have updated environmental permits and consistently comply with regulatory thresholds and reportorial requirements. |
|                                                        | The Impact and Where it Occurs                                                                 |                           |                                                                                                                                                                                      |
|                                                        | Stakeholders Affected                                                                          |                           |                                                                                                                                                                                      |
| KPIs                                                   | Total amount of monetary fines for non-compliance with environmental laws and/or regulations   |                           |                                                                                                                                                                                      |
|                                                        | Number of non-monetary sanctions for non-compliance with environmental laws and/or regulations |                           |                                                                                                                                                                                      |
|                                                        | Number of cases resolved through a dispute resolution mechanism                                |                           |                                                                                                                                                                                      |

| C. Social Disclosures        |                                                        | Reporting location | Remarks/ explanation                                                                                                                     |
|------------------------------|--------------------------------------------------------|--------------------|------------------------------------------------------------------------------------------------------------------------------------------|
| Employee Management          |                                                        |                    |                                                                                                                                          |
| Employee Hiring and Benefits |                                                        |                    |                                                                                                                                          |
| General Disclosures          | Management Approach                                    | Social Performance | Filinvest's hiring philosophy is based on competency and merit, irrespective of gender, race, ethnicity, religion, or social background. |
|                              | The Impact and Where it Occurs                         |                    |                                                                                                                                          |
| KPIs                         | Total number of employees                              |                    |                                                                                                                                          |
|                              | Attrition rate                                         |                    |                                                                                                                                          |
|                              | Ratio of lowest paid employee against the minimum wage | EESG Performance   |                                                                                                                                          |
|                              | List of employee benefits                              | Social Performance |                                                                                                                                          |

| C. Social Disclosures                                                                  |                                                                                       | Reporting location | Remarks/ explanation                                                                                                                                                                                            |
|----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Employee Training and Development                                                      |                                                                                       |                    |                                                                                                                                                                                                                 |
| General Disclosures                                                                    | Management Approach                                                                   | Social Performance | All FLI employees are automatically granted access to the Filinvest Mentor online learning platform where courses are available. This augments the classroom-type trainings and mentorships provided employees. |
|                                                                                        | The Impact and Where it Occurs                                                        |                    |                                                                                                                                                                                                                 |
| KPIs                                                                                   | Total training hours provided to employees (by male/female)                           |                    |                                                                                                                                                                                                                 |
|                                                                                        | Average training hours provided to employees (by male/female)                         |                    |                                                                                                                                                                                                                 |
| Labor Management Relations                                                             |                                                                                       |                    |                                                                                                                                                                                                                 |
| General Disclosures                                                                    | Management Approach                                                                   | Social Performance | As of the end of 2024, there is no CBA in Filinvest Land or any of its subsidiaries.                                                                                                                            |
|                                                                                        | The Impact and Where it Occurs                                                        |                    |                                                                                                                                                                                                                 |
| KPIs                                                                                   | % of employees covered by Collective Bargaining Agreements                            |                    |                                                                                                                                                                                                                 |
|                                                                                        | Number of consultations conducted with employees concerning employee-related policies |                    |                                                                                                                                                                                                                 |
| Diversity and Equal Opportunity                                                        |                                                                                       |                    |                                                                                                                                                                                                                 |
| General Disclosures                                                                    | Management Approach                                                                   | Social Performance | Filinvest's policy for career progression is based on meritocracy and competency, and not on any other criteria.                                                                                                |
|                                                                                        | The Impact and Where it Occurs                                                        |                    |                                                                                                                                                                                                                 |
| KPIs                                                                                   | % of female workers in the workforce                                                  |                    |                                                                                                                                                                                                                 |
|                                                                                        | % of male workers in the workforce                                                    |                    |                                                                                                                                                                                                                 |
|                                                                                        | Number of employees from indigenous communities and/or vulnerable sector              |                    |                                                                                                                                                                                                                 |
| Workplace Conditions, Labor Standards, and Human Rights Occupational Health and Safety |                                                                                       |                    |                                                                                                                                                                                                                 |
| General Disclosures                                                                    | Management Approach                                                                   | Social Performance | A company-wide safety program is in place, complying with all DOLE requirements, incl. the creation of safety committees and the conduct of drills.                                                             |
|                                                                                        | The Impact and Where it Occurs                                                        |                    |                                                                                                                                                                                                                 |
| KPIs                                                                                   | Safe Man-Hours                                                                        |                    |                                                                                                                                                                                                                 |
|                                                                                        | No. of work-related injuries                                                          |                    |                                                                                                                                                                                                                 |
|                                                                                        | No. of work-related fatalities                                                        |                    |                                                                                                                                                                                                                 |
|                                                                                        | No. of work-related ill-health                                                        |                    |                                                                                                                                                                                                                 |
|                                                                                        | No. of safety drills                                                                  |                    |                                                                                                                                                                                                                 |

| C. Social Disclosures                    |                                                                                                                                                  | Reporting location   | Remarks/ explanation                                                                                                                                                                                                                                                                       |
|------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Labor Laws and Human Rights              |                                                                                                                                                  |                      |                                                                                                                                                                                                                                                                                            |
| General Disclosures                      | Management Approach                                                                                                                              | Social Performance   | The Filinvest employee code of conduct has been communicated to all employees and is a required onboarding course.                                                                                                                                                                         |
|                                          | The Impact and Where it Occurs                                                                                                                   |                      |                                                                                                                                                                                                                                                                                            |
| KPIs                                     | Policies that explicitly disallow violations of labor laws and human rights (e.g. harassment, bullying) in the workplace                         |                      |                                                                                                                                                                                                                                                                                            |
|                                          | No. of legal actions or employee grievances involving forced or child labor                                                                      |                      |                                                                                                                                                                                                                                                                                            |
| Supply Chain Management                  |                                                                                                                                                  |                      |                                                                                                                                                                                                                                                                                            |
| Supplier Accreditation and Screening     |                                                                                                                                                  |                      |                                                                                                                                                                                                                                                                                            |
| General Disclosures                      | Management Approach                                                                                                                              | Economic Performance | Supply Chain Management under SharePro has a vendor accreditation program in place which is linked to the business code of conduct of the company.                                                                                                                                         |
|                                          | The Impact and Where it Occurs                                                                                                                   |                      |                                                                                                                                                                                                                                                                                            |
| KPIs                                     | Supplier Accreditation Policy                                                                                                                    |                      |                                                                                                                                                                                                                                                                                            |
|                                          | Sustainability Topics Considered When Selecting/Screening Suppliers                                                                              |                      |                                                                                                                                                                                                                                                                                            |
| Relationship with Community              |                                                                                                                                                  |                      |                                                                                                                                                                                                                                                                                            |
| Significant Impacts on Local Communities |                                                                                                                                                  |                      |                                                                                                                                                                                                                                                                                            |
| General Disclosures                      | Management Approach                                                                                                                              | Social Performance   | Filinvest projects are not located in areas where there is a certificate of ancestral domain title. There are operating units that do engage indigenous peoples in the course of everyday operations, e.g. within Clark Mimosa where Aetas are part of the workforce of business partners. |
|                                          | Operations with significant impacts on local communities (by location, vulnerable group/indigenous people (IPs))                                 |                      |                                                                                                                                                                                                                                                                                            |
| KPIs                                     | Mitigating measures (if negative) or enhancement measures (if positive)                                                                          |                      |                                                                                                                                                                                                                                                                                            |
|                                          | For operations affecting IPs, total number of Free and Prior Informed Consent (FPIC) consultations and Certification Preconditions (CPs) secured |                      |                                                                                                                                                                                                                                                                                            |

|                       |                                |                    |                                                                 |
|-----------------------|--------------------------------|--------------------|-----------------------------------------------------------------|
| Customer Management   |                                |                    |                                                                 |
| Customer Satisfaction |                                |                    |                                                                 |
| General Disclosures   | Management Approach            | Social Performance | Filinvest Land undertakes annual customer satisfaction surveys. |
|                       | The Impact and Where it Occurs |                    |                                                                 |
| KPI                   | Customer Satisfaction Score(s) |                    |                                                                 |

| C. Social Disclosures   |                                                                                                  | Reporting location | Remarks/ explanation                                                                                                                                                              |
|-------------------------|--------------------------------------------------------------------------------------------------|--------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Health and Safety       |                                                                                                  |                    |                                                                                                                                                                                   |
| General Disclosures     | Management Approach                                                                              | Social Performance | Filinvest's Health and Safety practices are guided by existing regulations.                                                                                                       |
|                         | The Impact and Where it Occurs                                                                   |                    |                                                                                                                                                                                   |
| KPIs                    | Number of substantiated complaints on product or service health and safety                       |                    |                                                                                                                                                                                   |
|                         | Number of complaints addressed                                                                   |                    |                                                                                                                                                                                   |
| Marketing and Labelling |                                                                                                  |                    |                                                                                                                                                                                   |
| General Disclosures     | Management Approach                                                                              | Social Performance |                                                                                                                                                                                   |
|                         | The Impact and Where it Occurs                                                                   |                    |                                                                                                                                                                                   |
| KPIs                    | Number of substantiated complaints on marketing and labelling                                    |                    |                                                                                                                                                                                   |
|                         | Number of complaints addressed                                                                   |                    |                                                                                                                                                                                   |
| Customer Privacy        |                                                                                                  |                    |                                                                                                                                                                                   |
| General Disclosures     | Management Approach                                                                              | Social Performance | All data of FLI are governed by the Data Privacy Act's provisions and have an Information Security program in place. There have been no reported data breaches or losses in 2024. |
|                         | The Impact and Where it Occurs                                                                   |                    |                                                                                                                                                                                   |
| KPIs                    | Number of substantiated complaints on customer privacy                                           |                    |                                                                                                                                                                                   |
|                         | Number of complaints addressed                                                                   |                    |                                                                                                                                                                                   |
|                         | Number of customers, users, and account holders whose information is used for secondary purposes |                    |                                                                                                                                                                                   |
| Data Security           |                                                                                                  |                    |                                                                                                                                                                                   |
| General Disclosures     | Management Approach                                                                              | Social Performance | All data are governed by the Data Privacy Act's provisions and have an Information Security program in place. There have been no reported data breaches in this reporting period  |
|                         | The Impact and Where it Occurs                                                                   |                    |                                                                                                                                                                                   |
| KPI                     | No. of data breaches, including leaks, thefts, and losses of data                                |                    |                                                                                                                                                                                   |

79 EDSA, Highway Hills, Mandaluyong City  
Metro Manila 1000, Philippines  
Trunk Line: (632) 7918-8188  
Customer hotline: (632) 8588-1688  
www.filinvestland.com

September 28, 2022

**THE PHILIPPINE STOCK EXCHANGE**

Philippine Stock Exchange Plaza 6<sup>th</sup>  
Floor, PSE Tower  
Bonifacio Global City, Taguig

Attention: Ms. Alexandra Tom Wong  
OIC, Disclosure Department

Subject: Final Report on the Disbursement of Proceeds from the Initial Public Offering ("IPO") of Filinvest REIT Corp. ("FILRT")

Dear Ms. Tom Wong,

We are pleased to submit our Final Report on the Application of Proceeds for the IPO of FILRT, duly certified by our external auditors, in compliance with the disclosure requirements of the Philippine Stock Exchange.

On August 12, 2021, Filinvest Land, Inc received net proceeds from the IPO of FILRT amounting to Twelve Billion Two Hundred Sixty Four Million Nineteen Thousand Three Hundred Thirty Nine Pesos (Php12,264,019,339).

As of August 11, 2022, FLI already disbursed the total net proceeds amounting to Twelve Billion Two Hundred Sixty Four Million Nineteen Thousand Three Hundred Thirty Nine Pesos (Php12,264,019,339).

The details of the disbursements are as follows:

|                                                        |     |                |
|--------------------------------------------------------|-----|----------------|
| Gross Proceeds from IPO                                | Php | 12,583,246,445 |
| Purchase of shares during the stabilization period     | -   | 2,281,800      |
| Underwriters and IPO-related fees                      | -   | 316,945,306    |
| Net Proceeds received                                  |     | 12,264,019,339 |
| Disbursements for Transaction Costs, Aug. 12- Sept. 30 | -   | 132,542,601    |
| Disbursements for Transaction Costs, Oct. 1- Dec. 31   | -   | 1,571,600      |
| Available for Reinvestment                             |     | 12,129,905,138 |
| Disbursements for Reinvestment Aug 12- Sept 30         | -   | 1,566,787,667  |
| Disbursements for Reinvestment Oct 1-Dec. 31           | -   | 872,622,139    |
| Disbursements for Reinvestment Jan.1- March 31, 2022   | -   | 2,016,678,604  |
| Disbursements for Reinvestment April 1-June 30, 2022   | -   | 2,725,572,490  |
| Disbursements for Reinvestment July 1-August 11, 2022  | -   | 4,948,244,238  |
| Balance of IPO Proceeds as of August 11, 2022          |     | 0              |

Thank you.

Very truly yours,

  
ANA VENUS A. MEJIA  
Chief Finance Officer

ACKNOWLEDGMENT

REPUBLIC OF THE PHILIPPINES )

CITY OF MANDALUYONG ) S.S.

SEP 28 2022

I certify that on \_\_\_\_\_, before me a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

Competent Evidence of  
Identity

Date / Place Issued

Filinvest Land, Inc.

TIN:

Represented by:

Ana Venus Mejia

who were identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that their signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No. 325;

Page No. 46;

Book No. 30;

Series of 2022.

**JOVEN G. S. MALLANO**  
NOTARY PUBLIC FOR CITY OF MANDALUYONG  
COMMISSION NO. 0285-21 UNTIL DECEMBER 31, 2022  
IBP LIFETIME NO. 011302; 12-28-12; RIZAL  
ROLL NO. 53970  
PTR NO. 4864924; 1-3-22; MANDALUYONG  
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025  
UG03 CITYLAND SHAW TOWER,  
SHAW BLVD. MANDALUYONG CITY



# FILINVEST LAND, INC.

79 EDSA, Highway Hills  
Mandaluyong City, Metro Manila  
Trunk line: (632) 918-8188  
Customer hotline: (632) 588-1688  
Fax number: (632) 918-9189  
www.filinvestland.com

## ANNEX A- Disbursements for the period July 1, 2022 to August 11, 2022

| Project Name              | Disbursing Entity           | July 1, 2022-Aug.<br>11, 2022 |
|---------------------------|-----------------------------|-------------------------------|
| Axis Three                | Filinvest Land, Inc.        | 6,012,172                     |
| Axis Four                 | Filinvest Land, Inc.        | 640,399                       |
| Cebu Tower 3              | Filinvest Land, Inc.        | 74,097,795                    |
| Cebu Tower 4              | Filinvest Land, Inc.        | 75,685,665                    |
| Marina Town               | Filinvest Land, Inc.        | 16,075,999                    |
| Columna                   | Filinvest Land, Inc.        | 9,355,918                     |
| 387 Gil Puyat             | Filinvest Cyberparks Inc    | 19,883,453                    |
| 4Workplus                 | Filinvest Clark Mimosa Inc  | 4,107,727                     |
| 7 Workplus                | Filinvest Clark Mimosa Inc  | 1,399,801                     |
| The Crib Clark            | Filinvest Clark Mimosa Inc  | 70,247,339                    |
| PDDC                      | Phil. DCS Development Corp. | 177,408                       |
| Filinvest Innovation Park | Filinvest BCDA Clark Inc.   | 26,347,543                    |
| Marina Town Mall          | Filinvest Land, Inc.        | 40,448,458                    |
| Clark Lifestyle Mall      | Filinvest Clark Mimosa Inc  | 139,815,812                   |
| Panglao Oasis             | Filinvest Land, Inc.        | 80,653,940                    |
| Alta Spatial              | Filinvest Land, Inc.        | 58,716,265                    |
| Verde Spatial             | Filinvest Land, Inc.        | 14,925,915                    |
| Bali Oasis                | Filinvest Land, Inc.        | 22,282,320                    |
| Belize Oasis              | Filinvest Land, Inc.        | 27,907,521                    |
| Raw Land                  | Filinvest Land, Inc.        | 17,242,043                    |
| Dreambuilders capex       | Filinvest Land, Inc.        | 348,014,356                   |
| Futura East               | Filinvest Land, Inc.        | 281,108,503                   |
| The Levels 2              | Filinvest Land, Inc.        | 324,873,755                   |

# FILINVEST LAND, INC.

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|                          |                      |                      |
|--------------------------|----------------------|----------------------|
| Studio Towers            | Filinvest Land, Inc. | 94,370,290           |
| Activa- Residential      | Filinvest Land, Inc. | 255,018,115          |
| Activa - Offices         | Filinvest Land, Inc. | 95,670,383           |
| One Filinvest            | Filinvest Land, Inc. | 422,300,388          |
| Studio 7                 | Filinvest Land, Inc. | 153,941,286          |
| Futura Centro            | Filinvest Land, Inc. | 174,101,942          |
| Sorrento Oasis           | Filinvest Land, Inc. | 155,760,833          |
| Asiana Oasis             | Filinvest Land, Inc. | 7,145,354            |
| Claremont                | Filinvest Land, Inc. | 157,524,758          |
| Maldives Oasis           | Filinvest Land, Inc. | 150,351,401          |
| New Leaf                 | Filinvest Land, Inc. | 171,018,715          |
| Ciudad de Calamba        | Filinvest Land, Inc. | 321,963,183          |
| Centro Spatial Davao     | Filinvest Land, Inc. | 215,980,687          |
| Fora Dagupan             | Filinvest Land, Inc. | 168,013,945          |
| Marina Spatial Dumaguete | Filinvest Land, Inc. | 124,741,978          |
| New Fields               | Filinvest Land, Inc. | 200,468,808          |
| Savannah Fields          | Filinvest Land, Inc. | 138,492,662          |
| Alta Vida                | Filinvest Land, Inc. | 23,036,888           |
| Anila Park               | Filinvest Land, Inc. | 49,622,112           |
| Eight Spatial Davao      | Filinvest Land, Inc. | 74,033,034           |
| Teresa                   | Filinvest Land, Inc. | 94,700,011           |
| The Leaf                 | Filinvest Land, Inc. | 39,967,358           |
| <b>TOTAL</b>             |                      | <b>4,948,244,238</b> |



## **AGREED-UPON PROCEDURES REPORT ON FINAL REPORT ON USE OF PROCEEDS FROM THE LISTING OF FILINVEST REIT CORP.**

**Ms. Ana Venus A. Mejia**  
**Executive Vice President and Chief Finance Officer**  
**Filinvest Land, Inc.**  
**Filinvest Building, 79 EDSA, Highway Hills**  
**Mandaluyong City 1550, Metro Manila**

### **Purpose of this Agreed-upon Procedures Report**

We have performed the procedures which were agreed to by Filinvest Land, Inc. (the "Company") solely to assist you in complying with the requirements of the Philippine Stock Exchange ("PSE") in relation to the Final Report on the use of proceeds from the initial public offering ("IPO") of the shares of Filinvest REIT Corp. ("FILRT") on August 12, 2022. This report covers additional disbursements for the period from July 1, 2022 to August 11, 2022 ("Subject Matter"). Accordingly, this may not be suitable for another purpose.

### **Restriction on Use**

This agreed-upon procedures report ("AUP Report") is intended solely for the information and use of the Company and the PSE and is not intended to be and should not be used by anyone else.

### **Responsibilities of the Company**

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the Subject Matter on which the agreed-upon procedures are performed. The sufficiency of these procedures is solely the responsibility of the Company.

### **Practitioner's Responsibilities**

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness or the sufficiency of the agreed-upon procedures described below either for the purpose for which this AUP Report has been requested or for any other purpose.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

### **Professional Ethics and Quality Control**

In performing the Agreed-Upon Procedures engagement, we complied with the ethical requirements in the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We are not required to be independent for the purpose of this engagement. We are the independent auditor of the Company and complied with the independence requirements of the Code of Ethics that apply in context of the financial statement audit.

Our firm applies Philippine Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Procedures and Findings**

We have performed the procedures described below, which were agreed upon with the Company in the terms of engagement dated April 13, 2022, on the Subject Matter.

1. We obtained the Final Report on Use of Proceeds from the IPO of FILRT for the period from August 12, 2021 to August 11, 2022 (the "Final Report") and checked the mathematical accuracy of the Final Report. No exceptions were noted.
2. We compared the "Disbursements for Reinvestment July 1, 2022 to August 11, 2022" in the Final Report to the list of disbursements for the period from July 1, 2022 to August 11, 2022 (the "Disbursement Schedule") and noted the amounts to be in agreement. Further, we noted that of the total disbursements reported for the period from July 1, 2022 to August 11, 2022 in the Disbursement Schedule, Php3,453.41 million and Php362.90 million pertain to disbursements made prior to July 1, 2022 and after August 11, 2022, respectively.
3. We compared the Disbursements Schedule with the schedule of Planned use of IPO proceeds as documented in the Amended Sponsor Reinvestment Plan dated July 22, 2022 (the "Amended Sponsor Reinvestment Plan") and noted that the projects in the Disbursement Schedule are included in the Amended Sponsor Reinvestment Plan and disbursements for each project are within the amount allocated in the Amended Sponsor Reinvestment Plan except for 21 projects as summarized in Appendix I.
4. We traced disbursements exceeding Php50 million to supporting documents such as bank statements and collection receipts. Differences in the amount per Disbursement Schedule samples selected and the related collection receipts pertain to withholding taxes.

*Explanatory paragraph*

The Company is responsible for the source documents that are described in the specified procedures and related findings section. We were not engaged to perform and we have not performed any procedures other than those previously listed. We have not performed procedures to test the accuracy or completeness of the information provided to us except as indicated in our procedures. Furthermore, we have not performed any procedures with respect to the preparation or verification of any of the source documents. We have no responsibility for the verification of any underlying information upon which we relied in forming our findings.

The agreed-upon procedures do not constitute an audit or a review of financial statements or part thereof, the objective of which is the expression of an opinion or conclusion on the financial statements or part thereof.

We undertake no responsibility to update this AUP Report for events and circumstances occurring after the AUP Report is issued.

SYCIP GORRES VELAYO & CO.

*Wanessa G. Salvador*

**Wanessa G. Salvador**  
Partner

September 28, 2022  
Manila, Philippines



**Appendix I – Projects which exceeded the allocation based on the Amended Sponsor Reinvestment Plan (in millions):**

| Project                   | Budget             | Total Disbursements<br>Aug 12, 2021 -<br>Aug 11, 2022 | Excess over<br>Allocated Budget |
|---------------------------|--------------------|-------------------------------------------------------|---------------------------------|
| Cebu Tower 4              | Php230.00          | Php255.27                                             | (Php25.27)                      |
| Filinvest Innovation Park | 21.00              | 26.35                                                 | (5.35)                          |
| Clark Lifestyle Mall      | 442.00             | 481.35                                                | (39.35)                         |
| Futura East               | 200.00             | 281.11                                                | (81.11)                         |
| The Levels 2              | 215.00             | 324.87                                                | (109.87)                        |
| Activa- Residential       | 300.00             | 350.69                                                | (50.69)                         |
| One Filinvest             | 237.00             | 422.30                                                | (185.30)                        |
| Studio 7                  | 100.00             | 153.94                                                | (53.94)                         |
| Futura Centro             | 100.00             | 174.10                                                | (74.10)                         |
| Sorrento Oasis            | 100.00             | 155.76                                                | (55.76)                         |
| Claremont                 | 132.00             | 157.52                                                | (25.52)                         |
| Maldives Oasis            | 100.00             | 150.35                                                | (50.35)                         |
| New Leaf                  | 58.00              | 171.02                                                | (113.02)                        |
| Ciudad de Calamba         | 58.00              | 321.96                                                | (263.96)                        |
| Centro Spatial Davao      | 170.00             | 215.98                                                | (45.98)                         |
| Fora Dagupan              | 80.00              | 168.01                                                | (88.01)                         |
| Marina Spatial Dumaguete  | 120.00             | 124.74                                                | (4.74)                          |
| New Fields                | 136.00             | 200.47                                                | (64.47)                         |
| Savannah Fields           | 110.00             | 138.49                                                | (28.49)                         |
| Eight Spatial Davao       | 49.00              | 74.03                                                 | (25.03)                         |
| Teresa                    | 55.00              | 94.70                                                 | (39.70)                         |
| <b>Total</b>              | <b>Php3,013.00</b> | <b>Php4,443.03</b>                                    | <b>(Php1,430.03)</b>            |

**SUBSCRIBED AND SWORN TO** before me this 28<sup>th</sup> day of September 2022 in Mandaluyong City, Metro Manila, affiant exhibiting to me her Philippine Passport No. \_\_\_\_\_, as competent evidence of her identity, bearing her photograph and signature, issued by the Department of Foreign Affairs Manila on \_\_\_\_\_

Doc. No. 343 ;  
Page No. 70 ;  
Book No. 30 ;  
Series of 2022.

**JOVEN G. SORILLANO**  
NOTARY PUBLIC FOR CITY OF MANDALUYONG  
COMMISSION NO. 0285-21 UNTIL DECEMBER 31, 2022  
IBP LIFETIME NO. 011302; 12-28-12; RIZAL  
ROLL NO. 53970  
PTR NO. 4864924; 1-3-22; MANDALUYONG  
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025  
UG03 CITYLAND SHAW TOWER,  
SHAW BLVD. MANDALUYONG CITY

December 01, 2025

**SECURITIES AND EXCHANGE COMMISSION**SEC Headquarters, 7907 Makati Avenue  
Makati CityAttention: Atty. Oliver O. Leonardo  
Director, Market Securities Regulation Department**THE PHILIPPINE STOCK EXCHANGE**6<sup>th</sup> Floor, PSE Tower  
5<sup>th</sup> Avenue cor 28<sup>th</sup> Street,  
Bonifacio Global City, TaguigAttention: ATTY. JOHANNE DANIEL M. NEGRE  
Officer-In-Charge, Disclosure DepartmentSubject: Filinvest Land Inc.'s ("FLI") Final Report on the Use of the  
Monetary Equivalent of the Net Proceeds from the Buyback of FLI  
shares in exchange for Shares in Filinvest REIT Corp. ("FILRT")

Dear Atty. Negre,

We are pleased to submit our Final Report on the application of equivalent monetary value of the proceeds from the buyback of FLI shares, which is approximately Php1.86 billion, exclusive of taxes and transaction charges. This value corresponds to the exchange of 597,120,000 FILRT common shares multiplied by 3.11, which represents the crossing price per share.

On December 11, 2024, Filinvest Land, Inc. would have received net proceeds amounting to One Billion Eight Hundred Forty One Million Fifty Seven Thousand Eight Hundred Forty Pesos and Fifty Centavos (P1,841,057,840.50).

As of October 31, 2025, FLI already disbursed the total proceeds in the amount of One Billion Eight Hundred Forty One Million Fifty Seven Thousand Eight Hundred Forty Pesos and Fifty Centavos (P1,841,057,840.50), in accordance with its Reinvestment Plan.

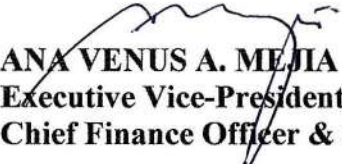
The details of the disbursements are as follows:

|                                                     |     |                  |
|-----------------------------------------------------|-----|------------------|
| Gross Proceeds from IPO                             | Php | 1,857,043,200.00 |
| Underwriters and IPO-related fees                   | -   | 15,985,359.50    |
| Net Proceeds received                               |     | 1,841,057,840.50 |
| Disbursements for Reinvestment Dec. 11-31, 2024     | -   | 171,595,002.38   |
| Disbursements for Reinvestment Jan. - March, 2025   | -   | 537,612,889.95   |
| Disbursements for Reinvestment April-June, 2025     | -   | 439,829,422.67   |
| Disbursements for Reinvestment July-September, 2025 | -   | 596,978,082.01   |
| Disbursements for Reinvestment October 2025         | -   | 95,042,443.49    |
| Total Disbursements as of October 31, 2025          | -   | 1,841,057,840.50 |
| Balance of Proceeds as of October 31, 2025          | Php | 0.00             |

This Final Report is duly certified by our external auditor, in compliance with applicable laws, rules and regulations.

Thank you.

Very truly yours,



**ANA VENUS A. MEJIA**  
**Executive Vice-President, Treasurer,**  
**Chief Finance Officer & Chief Operating Officer**

## ACKNOWLEDGMENT

REPUBLIC OF THE  
PHILIPPINES )  
CITY OF MANDALUYONG  
) S.S.

I certify that on DEC 01 2025, before me a notary public duly authorized in the city named above to take acknowledgments, personally appeared:

Competent Evidence  
of Identity

Date / Place Issued

**Filinvest Land,**  
**Inc. Represented**  
**by:**

Unified Multi-Purpose ID

**Ana Venus Mejia**

who were identified by me through competent evidence of identity to be the same person described in the foregoing instrument, who acknowledged before me that their signatures on the instrument were voluntarily affixed by them for the purposes stated therein, and who declared to me that they have executed the instrument as their free and voluntary act and deed.

IN WITNESS WHEREOF, I hereunto set my hand and affix my notarial seal on the date and at the place above written.

Doc. No. 276  
Page No. 57;  
Book No. 40;  
Series of 2025.

**JOVEN G. SIVILLANO**  
NOTARY PUBLIC FOR CITY OF MANDALUYONG  
COMMISSION NO. 0285-25 VALID UNTIL DECEMBER 31, 2026  
ROLL NO. 53970 (S73)  
IBP LIFETIME NO. 011302; 12-28-12; RIZAL  
PTR NO. S708102; 1-2-25; MANDALUYONG  
MCLE EXEMPTION NO. VIII-ACAD004023 14 APRIL 2028  
UG 03 CITYLAND SHAW TOWER  
SHAW BOULEVARD, MANDALUYONG CITY



**ANNEX A- Disbursements for the period October, 2025**

| <b>Project Name</b>     | <b>Location</b> | <b>Product</b>     | <b>Capex<br/>(October<br/>2025)</b> |
|-------------------------|-----------------|--------------------|-------------------------------------|
| Futura Monte            | Camarines Sur   | Mid-rise building  | 34,126,289.89                       |
| Futura Bay GenSan       | Gen San         | Mid-rise building  | 24,358,415.68                       |
| Futura One Fora Dagupan | Dagupan         | Mid-rise building  | 6,912,558.64                        |
| Studio N                | Alabang         | High-rise building | 14,738,027.14                       |
| Futura Centro           | NCR             | High-rise building | 11,959,954.48                       |
| 8 Spatial Davao         | Davao           | Mid-rise building  | 2,947,197.66                        |
| <b>TOTAL</b>            |                 |                    | <b>95,042,443.49</b>                |

**AGREED-UPON PROCEDURES REPORT ON FINAL REPORT ON  
DISBURSEMENT OF PROCEEDS FROM THE CAPPED VOLUNTARY TENDER  
OFFER AND SHARE SWAP OF FILINVEST LAND, INC.'S SHARES FOR  
FILINVEST REIT CORP. SHARES.**

**Ms. Ana Venus A. Mejia**  
**Executive Vice President and Chief Finance Officer**  
**Filinvest Land, Inc.**  
**Filinvest Building, 79 EDSA, Highway Hills**  
**Mandaluyong City 1550, Metro Manila**

**Purpose of this Agreed-upon Procedures Report**

We have performed the procedures which were agreed to by Filinvest Land, Inc. (the "Company" or FLI) solely to assist you in complying with the requirements of the Philippine Stock Exchange, Inc. ("PSE") in relation to the Final Report on the disbursement of proceeds from the capped voluntary tender offer and share swap of the Company's shares for Filinvest REIT Corp. ("FILRT") shares conducted from October 7, 2024 to November 27, 2024. This report covers disbursements for the period from October 1, 2025 to October 31, 2025 ("Subject Matter"). Accordingly, this may not be suitable for another purpose.

**Restriction on Use**

This agreed-upon procedures report ("AUP Report") is intended solely for the information and use of the Company and the PSE and is not intended to be and should not be used by anyone else.

**Responsibilities of the Company**

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Company is responsible for the Subject Matter on which the agreed-upon procedures are performed. The sufficiency of these procedures is solely the responsibility of the Company.

**Practitioner's Responsibilities**

We have conducted the agreed-upon procedures engagement in accordance with the Philippine Standard on Related Services (PSRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding

the appropriateness or the sufficiency of the agreed-upon procedures described below either for the purpose for which this AUP Report has been requested or for any other purpose.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

### **Professional Ethics and Quality Control**

In performing the Agreed-Up On Procedures engagement, we complied with the ethical requirements in the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics). We are not required to be independent for the purpose of this engagement. We are the independent auditor of the Company and complied with the independence requirements of the Code of Ethics that apply in context of the financial statement audit.

Our firm applies Philippine Standard on Quality Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Procedures and Findings**

We have performed the procedures described below, which were agreed upon with the Company in the terms of engagement dated January 13, 2025, on the Subject Matter.

1. We obtained the Final Report on Disbursement of Proceeds from the Capped Voluntary Tender Offer and Share Swap of the Company's shares for FILRT shares for the period from December 11, 2024 to October 31, 2025 (the "Final Report") and checked the mathematical accuracy of the Final Report. No exceptions noted.
2. We obtained the Disbursement Schedule for the period from October 1, 2025 to October 31, 2025 (the "Disbursement Schedule") and checked the mathematical accuracy of the Disbursement Schedule. No exceptions noted.
3. We compared the disbursement in the Final Report to the list of disbursements for the period from October 1, 2025 to October 31, 2025 (the "Disbursement Schedule"). We noted that the total disbursement in the Disbursement Schedule is higher by Php1.82 million compared to the disbursement in the Final Report.
4. We compared the Disbursements Schedule with the schedule of planned use of proceeds from the Capped Voluntary Tender Offer and Share Swap as documented in the Reinvestment Plan. We noted that the projects in the Disbursement Schedule are included in the Reinvestment Plan. The comparison between the disbursements in the Disbursement Schedule and the amount allocated in the Reinvestment Plan is summarized in Appendix I.

5. We noted no transactions in the Disbursement Schedule exceeding ₱10.00 million.
6. We obtained draft minutes of meetings of the Board of Directors and Stockholders from the period October 1, 2025 to October 31, 2025 certified by the Company's corporate secretary since the signed minutes of meetings are not yet available. We have not noted reallocations or changes in the schedule of planned use of proceeds from the Capped Voluntary Tender Offer and Share Swap.

*Explanatory paragraph*

The Company is responsible for the source documents that are described in the specified procedures and related findings section. We were not engaged to perform and we have not performed any procedures other than those previously listed. We have not performed procedures to test the accuracy or completeness of the information provided to us except as indicated in our procedures. Furthermore, we have not performed any procedures with respect to the preparation or verification of any of the source documents. We have no responsibility for the verification of any underlying information upon which we relied in forming our findings.

The agreed-upon procedures do not constitute an audit or a review of financial statements or part thereof, the objective of which is the expression of an opinion or conclusion on the financial statements or part thereof.

We undertake no responsibility to update this AUP Report for events and circumstances occurring after the AUP Report is issued.

SYCIP GORRES VELAYO & CO.



**Wanessa G. Salvador**  
Partner

November 28, 2025  
Manila, Philippines

**Appendix I**

Comparison between the disbursements in the Disbursement Schedule and the amount allocated in the Reinvestment Plan  
(Amounts in billions):

| Item Description                 | Amount Allocated<br>in the<br>Reinvestment Plan | Total Disbursements<br>December 11, 2024<br>– October 31, 2025 | Shortfall (Excess)<br>over Allocation<br>Budget |
|----------------------------------|-------------------------------------------------|----------------------------------------------------------------|-------------------------------------------------|
| Projects                         |                                                 |                                                                |                                                 |
| Mimosa Lifestyle Mall            | ₱0.655                                          | ₱0.301                                                         | ₱0.354                                          |
| The Levels                       | 0.190                                           | 0.000                                                          | 0.190                                           |
| Futura Monte                     | 0.100                                           | 0.273                                                          | (0.173)                                         |
| Futura Bay GenSan                | 0.100                                           | 0.207                                                          | (0.107)                                         |
| Futura One Fora Dagupan          | 0.100                                           | 0.160                                                          | (0.060)                                         |
| Futura Vinta Zamboanga           | 0.100                                           | 0.085                                                          | 0.015                                           |
| Mimosa Retail                    | 0.040                                           | 0.008                                                          | 0.032                                           |
| Studio N                         | 0.250                                           | 0.345                                                          | (0.095)                                         |
| Futura Centro                    | 0.075                                           | 0.186                                                          | (0.111)                                         |
| 8 Spatial Davao                  | 0.100                                           | 0.129                                                          | (0.029)                                         |
| Mimosa Golfridge Residential     | 0.150                                           | 0.146                                                          | 0.004                                           |
|                                  | 1.860                                           | 1.840                                                          | 0.020                                           |
| Underwriters and IPO related fee | –                                               | 0.020                                                          | (0.020)                                         |
| Total proceeds/disbursements     | ₱1.860                                          | ₱1.860                                                         | ₱–                                              |

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(Company's Full Name)

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

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| c/o Atty. Katrina O. Clemente-Lua |
|-----------------------------------|

Contact Person

|           |
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| 7918-8188 |
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Company Telephone Number

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17  
OF THE SECURITIES REGULATION CODE  
AND SRC RULE 17.2(c) THEREUNDER

1. December 11, 2024  
Date of Report (Date of earliest event reported)
2. SEC Identification Number 170957 3. BIR Tax Identification No. 000-533-224
4. FILINVEST LAND, INC.  
Exact name of issuer as specified in its charter
5. Philippines 6.  (SEC Use Only)  
Province, country or other jurisdiction of incorporation Industry Classification Code:
7. No. 79 EDSA, Highway Hills, Mandaluyong City, Metro Manila 1550  
Address of principal office Postal Code
8. (632) 7918-8188  
Issuer's telephone number, including area code
9. Not applicable  
Former name or former address, if changed since last report
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 of<br>Stock Outstanding |
|---------------------|------------------------------------------|
| Common              | 24,249,759,506                           |
| Preferred           | 8,000,000,000                            |

11. Indicate the item numbers reported herein: 9

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the Issuer has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FILINVEST LAND, INC.  
Issuer

Date December 11, 2024

  
**KATRINA O. CLEMENTE-LUA**  
Corporate Secretary and  
Corporate Information Officer

**REINVESTMENT PLAN OF  
Filinvest Land, Inc. ("FLI")**

In connection with the disposal of 597,120,000 Filinvest REIT Corp. ("FILRT") common shares as consideration for the buyback of shares by FLI in exchange for FILRT common shares at an exchange ratio of 0.32 FILRT share for every 1 FLI share in relation to FLI's capped voluntary tender offer

As of December 11, 2024



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## **I. EXECUTIVE SUMMARY**

The Reinvestment Plan sets forth the planned uses of the equivalent value of the net proceeds from the capped voluntary tender offer of FLI shares in exchange for FILRT shares owned by FLI.

On September 25, 2024, FLI, one of the country's largest property developers, announced that its Board has approved a capped voluntary tender offer to purchase or reacquire up to 1,866,000,000 common shares, equivalent to approximately 7.69% ownership of FLI's outstanding and listed stock, in exchange of FILRT shares owned by FLI, at an exchange ratio of 0.32 FILRT share for every 1 FLI share tendered (the "Transaction").

FLI engaged FTI Consulting to issue a valuation and fairness opinion to determine the reasonable and fair range of prices for both FLI and FILRT shares and the exchange ratio between them.

The Transaction provided FLI shareholders with the opportunity for their shares to be bought back in exchange for those of FILRT. FLI shareholders also stand to benefit from price appreciation and a stronger dividend yield from FILRT shares.

Upon the successful completion of the Transaction, public ownership of FILRT increased to 46.68%, broadening FILRT's shareholder base, and placing it comfortably above the 33.33% minimum public ownership requirement for real estate investment trusts ("REITs") as mandated by Republic Act No. 9856, otherwise known as "The Real Estate Investment Trust Act of 2009" ("REIT Act"), its implementing rules and regulations, the Amended Listing Rules for REITs of the Philippine Stock Exchange, Inc. ("PSE"), and related issuances.

The Transaction also provided FLI shareholders a compelling opportunity to participate in REITs, gaining exposure to a portfolio of income-generating properties with the potential for capital appreciation. FILRT's portfolio consists of 17 Grade A and LEED Gold-certified office buildings that feature green and sustainability-themed elements. With over 300,000 square meters of gross leasable area ("GLA"), 16 of the buildings are located in Northgate Cyberzone in Filinvest City, Alabang. Another building, Filinvest Cyberzone Cebu Tower 1, is situated at the gateway of Cebu IT Park in Lahug, Cebu City. Rounding out the portfolio is 2.9 hectares of land leased to the owner and operator of Crimson Resort & Spa Boracay, bringing the REIT's total GLA to over 330,400 square meters.

Pursuant to Securities and Exchange Commission ("SEC") Memorandum Circular No.1 series of 2020 and Bureau of Internal Revenue (BIR) – Revenue Regulation No. 3-2020, any sponsor or promoter of a REIT who contributes income-generating real estate to a REIT shall submit a sworn statement to the SEC, the PSE, and the BIR, a reinvestment plan undertaking to reinvest any proceeds realized by the sponsor or promoter from the sale of REIT shares or other securities issued in exchange for income-generating real estate to the REIT, in any real estate, including any redevelopment thereof, and/or infrastructure projects in the Philippines, within one (1) year from the date of receipt of proceeds or money by the sponsor/promoter.

Following current regulations, FLI intends to invest the monetary equivalent of the net proceeds of the Transaction in the construction and development of retail and residential projects. In particular, FLI plans to invest the net proceeds in nine projects including two (2) retail projects, seven (7) mid-rise residential buildings, and two (2) high-rise residential buildings. . All disbursements for such projects are intended to be distributed within one (1) year from December 11, 2024. All the projects for which the

monetary equivalent of the proceeds will be spent are located within the Philippines and none are to be spent outside of the Philippines.

## **II. ABOUT THE SPONSOR**

### **a. Company Background**

FLI is a public corporation organized under the laws of the Philippines. Incorporated on November 24, 1989, it began commercial operations in August 1993 after its parent company, Filinvest Development Corporation (“FDC”), spun off most of its real estate operations and transferred all related assets and liabilities to FLI. FLI’s shares were listed on the PSE on October 25, 1993. As of September 30, 2024, FLI’s common shares are 65.93% held by FDC.

FLI is one of the Philippines’ leading real estate developers. Together with its predecessors, FLI has over 50 years of real estate expertise having developed over 2,500 hectares of land and providing home/home sites for over 200,000 families through the years. FLI has an established brand name and reputation in real estate, combining sales of lots and other residential developments with a growing commercial and mall leasing portfolio. FLI was a pioneer in focusing on the incentive-laden business process outsourcing (“BPO”) industry. FLI has also accumulated a considerable land bank in strategic locations, comprising some of the largest contiguous areas of developable land in the country, laying a foundation for continued growth.

In its early days in the 1990s when most developers were still focused on the higher end of the market, FLI entered the affordable housing space, allowing it to benefit from the growth of Overseas Filipino Worker (“OFW”) remittances and a housing supply shortage. FLI primarily targets the affordable and middle-income residential markets, which FLI believes are the largest addressable markets in residential development in the Philippines. According to the Philippine Statistics Authority and the Housing and Land Use Regulatory Board, there is expected to be a housing backlog across the affordable and middle-income segments of about 3.2 million by 2030. FLI believes that it is well-positioned to take advantage of the housing backlog through its varied product offerings and geographic presence. FLI has residential developments in 55 cities and towns in 22 provinces in the Philippines and is one of the largest mid-rise building (“MRB”) developers in the country today.

FLI was one of the pioneers in providing projects and office space catering to the BPO industry, which started in 2000 and quickly became a key driver for the Philippines’ strong economic growth. As a result of this early entry into the BPO space and the reputation it has built, FLI has more than tripled its aggregate office GLA from 175,565 sq.m. in 2012 to 677,985 sq.m. as of September 30, 2024. Its existing portfolio of 38 office buildings are mainly located in business parks or in mixed-used complexes highly accessible to public transport. FLI believes its business park model, wherein it builds on areas specifically suited for business and industrial establishments supported, in certain cases, by incentives from the government, makes it a preferred site of major BPO tenants. FLI’s buildings are located primarily in Northgate Cyberzone in Filinvest City, Alabang, Muntinlupa, an 18.7-hectare PEZA-registered information technology park that enjoys developer incentives. This is also the site of its district cooling system, the largest district cooling system plant in the country. Other office developments are in Bay City, Pasay, EDSA near Ortigas MRT station, Clark Mimosa and Cebu IT Park. Meanwhile, among FLI’s standalone projects is the 52-storey Grade A, PEZA-registered PBCom Tower along Ayala Avenue in the Makati Central Business District (“CBD”).

FLI's retail development is carried out by its Filinvest Lifemalls brand. Filinvest Lifemalls are entertainment and lifestyle-oriented malls that complement the Filinvest Group's CBD and township developments. As of September 30, 2024, FLI has 256,830 sq.m. of GLA from retail developments, the flagship of which is the Festival Supermall located within the Filinvest City development in Alabang, Muntinlupa. Festival Supermall has approximately 1,500 local and global tenants.

FLI intends to continue building up its investment portfolio in office and retail which are among the key drivers of the Philippine economy. FLI also intends to expand its investment portfolio to include logistic warehouses and co-working/living products that could benefit from the acceleration of e-commerce and new office trends, respectively. FLI aims to take advantage of its strategically located land bank located in key regional centers across the Philippines, which will allow it to accelerate the growth of its recurring income portfolio in line with market demand. As of September 30, 2024, FLI owns a land bank of 1,667.6 hectares, has joint venture arrangements for another 196.5 hectares, and under joint development or long-term leasing agreement of 489.6 hectares, totaling 2,353.70 hectares under its control and management for sustainable future growth. FLI believes that this land bank is sufficient to sustain at least five (5) years of residential development and sales as well as commercial, office and retail leasing projects. Its existing landholdings in its three major hubs of Alabang, Clark and Cebu will be able to support the development of up to 5.3 million sq.m. of GLA.

#### **b. Management and Organization**

The following table provides information regarding the members of the senior management team of FLI.

|                                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
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| <b>Jonathan T. Gotianun</b><br><i>Chairman of the Board</i>                   | Mr. Gotianun, 71, Filipino, was first elected as a Director of FLI on 17 June 1994. He also serves as the Chairman of the Board of Directors of FDC and East West Banking Corporation (EWBC), both publicly-listed companies. He is also the Chairman of the Board of Davao Sugar Central Co., Inc. (DSCC), Cotabato Sugar Central Co. Inc. (CSCC) and FDC Utilities, Inc. (FDCUI) and their subsidiary power companies. He served as a Director and Senior Vice President of Family Bank & Trust Co. until 1984. He obtained his Master's Degree in Business Administration from Northwestern University in 1976.                  |
| <b>Lourdes Josephine Gotianun Yap</b><br><i>Vice-Chairperson of the Board</i> | Mrs. Yap, 69, Filipino, was first elected as a Director of FLI on 24 November 1989. Mrs. Yap was elected as the Vice-Chairperson of the Board of FLI on 24 April 2023. She served as the CEO of FLI from October 2012 to April 2023 and as its President from October 2012 to April 2022. She is also the Vice-Chairperson of the Board of FDC and EWBC, all publicly-listed companies. She is the Chairperson and CEO of Filinvest Alabang, Inc. (FAI), a Director of FDCUI and in other companies within the Filinvest Group. She obtained her Master's Degree in Business Administration from the University of Chicago in 1977. |

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| <p><b>Tristaneil D. Las Marias</b><br/> <i>Director, President and Chief Executive Officer</i></p> | <p>Mr. Las Marias, 50, Filipino, is the President and Chief Executive Officer of FLI. He also serves as a Director of FILRT, a publicly-listed company. He started in 1997 as the Head of Regional Projects and went on to hold a higher position as a Senior Vice-President and Cluster Head for Visayas and Mindanao projects, as well as Southwest and Central Luzon. He was appointed as President and Chief Strategy Officer of FLI in April 2022 before his concurrent appointment as CEO in April 2023. He obtained his Bachelor of Arts, Major in Management Economics degree from Ateneo de Manila University. He also obtained his Certificate from the Advanced Management Program of the Harvard Business School in 2022.</p> |
| <p><b>Michael Edward T. Gotianun</b><br/> <i>Director</i></p>                                      | <p>Mr. Gotianun, 67, Filipino, was first elected as a Director of FLI on 08 May 2015. He is also a Director of FDC, a publicly-listed company. He served as the general manager of Filinvest Technical Industries from 1987 to 1990 and as loans officer at Family Bank from 1979 to 1984. He obtained his Bachelor's Degree in Business Management from the University of San Francisco in 1979.</p>                                                                                                                                                                                                                                                                                                                                     |
| <p><b>Francis Nathaniel C. Gotianun</b><br/> <i>Director</i></p>                                   | <p>Mr. Gotianun, 41, Filipino, was first elected as a Director of FLI on 22 April 2016. He is the First Senior Vice-President of Filinvest Hospitality Corporation, a subsidiary of FDC, the primary role of which is to evaluate, plan, develop and optimize potential and current hospitality investments of the Filinvest Group. He serves as Chairman of ProOffice Work Services, Inc., a Director of Filinvest Mimosa, Inc. and as the President and CEO of The Palms County Club, Inc. (TPCCI). He obtained his Bachelor's Degree in Commerce from the University of Virginia in 2005 and his Master's in Business Administration degree in IESE Business School – University of Navarra in 2010.</p>                               |
| <p><b>Rhoda A. Huang</b><br/> <i>Director</i></p>                                                  | <p>Ms. Huang, 62, Filipino, is currently a Director and the President and CEO of FDC. Prior to joining FDC, she was the President of BPI Capital Corporation. She was also the former Branch Head of Investment Banking for Credit Suisse Philippines and spent nineteen (19) years at JP Morgan Chase and its predecessor institutions. Ms. Huang brings more than thirty (30) years of experience in Philippine corporate, financial and government institutions. She has led various aspects of investment banking, including handling mergers and acquisitions, facilitating equity-linked transactions, managing equity and debt capital markets, overseeing structured products and lending, as well as handling risk</p>           |

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|                                                                      | <p>management. She completed her Bachelor's degree in Business Administration and Accountancy at the University of the Philippines and is a Certified Public Accountant.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <p><b>Ernesto S. De Castro</b><br/><i>Independent Director</i></p>   | <p>Mr. De Castro, 78, Filipino, was first elected as an Independent Director of FLI on 22 April 2019. He is the President of ESCA Incorporated since July 1993. He is not a Director of any other publicly-listed company. He graduated from the University of the Philippines Diliman in 1967 with a Bachelor's Degree in Civil Engineering and obtained his Masters of Engineering in the same university in 1968. He obtained the degree of Doctor of Philosophy in Civil Engineering (Major in Structures) in Lehigh University, Bethlehem, Pennsylvania, USA in 1975.</p>                                                                                                                                                                                                                                                                                                                                       |
| <p><b>Gemilo J. San Pedro</b><br/><i>Independent Director</i></p>    | <p>Mr. San Pedro, 71, Filipino, was first elected as an Independent Director of FLI on 17 July 2019. He has 38 years of experience in public accounting and business advisory services. Prior to his retirement on 30 June 2015, he served various leadership roles at SyCip Gorres Velayo &amp; Co. (SGV &amp; Co.). He was a partner in SGV &amp; Co. from 1991 to 2015 and a Professional Practice Director and a Quality and Risk Management Leader from 2004 to 2015. He finished his Bachelor of Science in Commerce, Major in Accounting degree at Rizal Memorial Colleges, Davao City. He obtained his Master of Business Administration, Concentration in Finance and International Business, at the Graduate School of Business, New York University, (now Stern Graduate School) USA in 1983.</p>                                                                                                         |
| <p><b>Ephyro Luis B. Amatong</b><br/><i>Independent Director</i></p> | <p>Atty. Amatong, 52, Filipino, was the former Supervising Commissioner of the Markets and Securities Regulation Department and the Economic Research and Training Department of the Philippine SEC from May 2014 to March 2022. Before joining SEC, he was an Assistant Secretary of the Department of Finance (DOF) where he had an active role in a number of privatization projects among others. He also served in various capacities in the government. Before joining the government, he was an Associate with the Villaraza &amp; Angangco Law Offices where he dealt with high profile litigation.</p> <p>Currently, he is a partner of MOSVELDTT Law Offices and a Consultant for the World Bank Group and the Asian Development Bank. He is a Professional Lecturer of the University of the Philippines – College of Law, a Trustee of the Andres Bonifacio College, an Independent Director of Asia</p> |

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|                                                                                                                      | <p>Link Finance Corp.; Global Dominion Financing, Inc., South Asialink Finance Corp., and Citicore Renewable Energy Corp., and an Advisor to the Board of Alternergy Holdings Corp.</p> <p>Atty. Amatong was admitted to the Philippine Bar in 2002 and the New York Bar in 2007. He holds a Master of Laws degree with an International Finance Concentration from Harvard Law School. He also holds a Bachelor of Laws degree from the University of the Philippines and a Bachelor of Science in Business Economics from the same university.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <p><b>Ana Venus A. Mejia</b><br/> <i>Executive Vice President, Treasurer and Chief Finance Officer</i></p>           | <p>Ms. Mejia, 58, Filipino, has been with the Filinvest Group for 27 years. She started in January 1996 as the Assistant Controller of FDC and has served the group in various capacities. She was appointed as the Treasurer of FLI in 2012. She also serves as the Treasurer and Chief Finance Officer of FILRT. Prior to joining Filinvest, she worked with Shoemart and SGV &amp; Co. She is a Certified Public Accountant and a <i>magna cum laude</i> graduate of Pamantasan ng Lungsod ng Maynila. She obtained her Master's Degree from the Kellogg School of Management of Northwestern University and the School of Business and Management at the Hong Kong University of Science and Technology.</p>                                                                                                                                                                                                                                                                       |
| <p><b>Winnifred H. Lim</b><br/> <i>First Senior Vice President and Chief Technical Planning Officer</i></p>          | <p>Engr. Lim, 60, Filipino, is the Senior Vice-President and Chief Technical Planning Officer of FLI. He started as the Company's Engineering Head last 2000 and currently leads Engineering, Architecture, Planning and Design, Survey, and Special Projects. He obtained his Master's Degree in Structural Engineering at the University of the Philippines Diliman.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <p><b>Maria Victoria Reyes-Beltran</b><br/> <i>Senior Vice-President, General Counsel and Compliance Officer</i></p> | <p>Atty. Reyes-Beltran, 58, Filipino, is the General Counsel and Compliance Officer of FLI. She also serves as the Compliance Officer of FILRT. Prior to joining FLI, she served as the Director of the Office of Internal Legal Counsel of R.G. Manabat &amp; Co., a professional partnership firm affiliated with KPMG International. She also served as the First Vice President - General Counsel of the Corporate Legal Unit of JG Summit Holdings, Inc. and Universal Robina Corporation, its subsidiaries, and regional operations in Southeast Asia, as well as the Corporate Secretary of the printed media unit of the group. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Bachelor of Arts degree, Major in Philosophy from the University of the Philippines and her Bachelor of Laws degree from San Beda College of Law. She completed her Master of Laws in International Commercial Law at the Ateneo School of Law</p> |

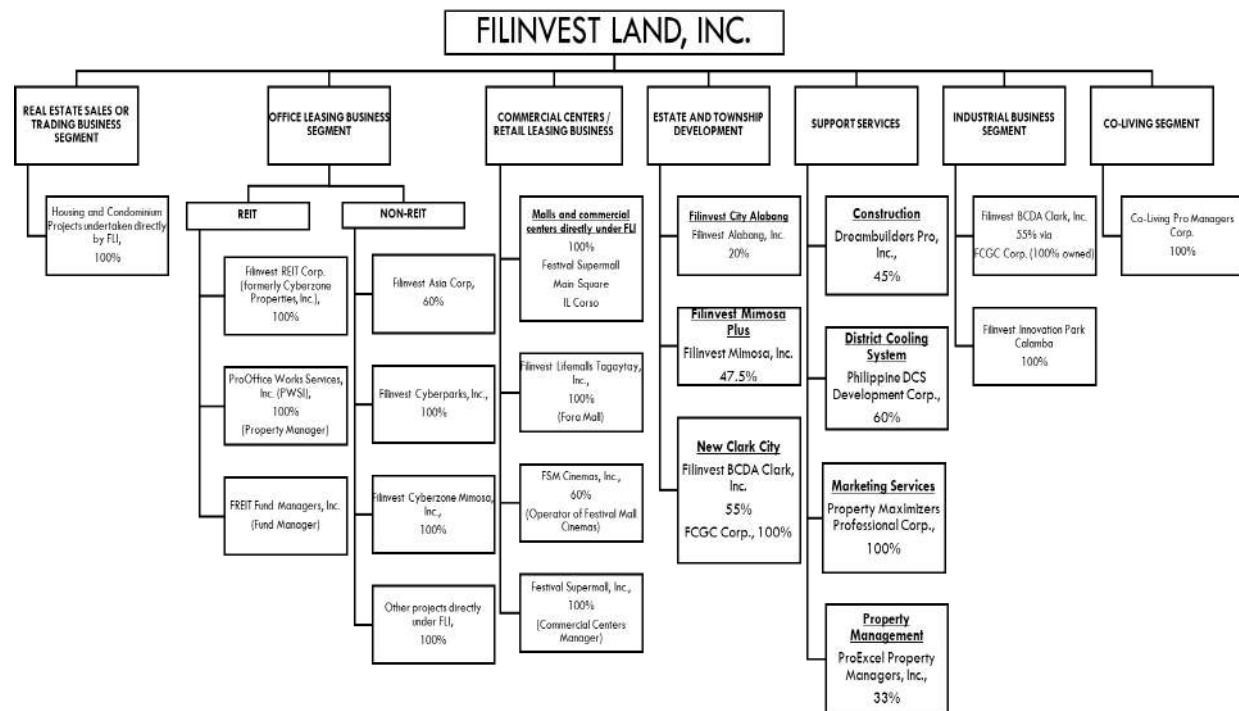
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|                                                                                                                           | and a Course on Structuring International Joint Venture at the University of California, Davis Campus.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Francis V. Ceballos</b><br><i>Senior Vice President and Head of the Industrial, Warehousing and Logistics Business</i> | Mr. Ceballos, 58, Filipino, joined FLI last 2010 and is currently the Senior Vice-President and Head of the Industrial, Warehousing and Logistics Business of FLI. He graduated from Ateneo de Manila University with a degree in Management Engineering and obtained his Master's Degree in Business Administration from the Asian Institute of Management.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Janeth B. de los Reyes</b><br><i>Senior Vice President, Deputy Chief Finance Officer and Chief Risk Officer</i>        | Ms. de los Reyes, 51, Filipino, is the Deputy Chief Finance Officer and Chief Risk Officer of FLI. Prior to joining FLI, she worked with Ortigas Land Group for more than three (3) years as its Chief Transformation Officer (CTO). Prior to her appointment as CTO, she served as the Ortigas Land Group's AVP and Head of Corporate Finance. She is an experienced Finance Professional with two (2) decades of experience in the Real Estate Industry. She has led finance teams, both at controllership and operations in financial reporting and analysis; tax compliance; billing and collection and treasury management; strategic planning, budgeting and forecasting; and procurement. She also worked for SGV & Co. in both Assurance and Business Advisory and Risk Consulting service lines. She obtained her Bachelor of Science in Accountancy degree in De La Salle University – Manila. Ms. de los Reyes then obtained her Master's Degree in Business Administration from the Ateneo Graduate School of Business – Makati. Ms. de los Reyes is a Certified Public Accountant, a licensed Real Estate Broker and has an NCII Certification in Organic Agriculture Production. |
| <b>Edward Thomas V. Bernas</b><br><i>Senior Vice President – Assistant Residential Business Head</i>                      | <p>Mr. Bernas, 56 Filipino is the Senior Vice President – Assistant Residential Business Head of FLI. Prior to joining FLI, he was the Business Unit General Manager for Robinsons Homes, the horizontal development arm of Robinsons Land Corporation (RLC). Mr. Bernas also held the position of Assistant Vice President of RLC for Infrastructure and Integrated Development until 2018 and was instrumental in its integrated township developments. Mr. Bernas spent years at Torre Lorenzo Devt. Corporation, where he was Business Development Director &amp; Business Unit Head for Mixed Use Developments.</p> <p>Mr. Bernas graduated from the Ateneo de Manila University with a Bachelor of Arts degree Major in Economics.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                   |



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| <p><b>Reynaldo Juanito S. Nieva II</b><br/> <i>Senior Vice President and Operations Head</i></p> | <p>Mr. Nieva, 50, Filipino, is the head of the Operations Department of FLI. He has been with FLI for fifteen (15) years and significantly contributed to various systems and processes of the company. His customer-centric leadership introduced the Omni channel to FLI's customer service, efficient booking process, stability in risk management and digitalizing an array of FLI Operating systems. He graduated from the University of the Philippines Diliman with a degree in Hotel and Restaurant Administration</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p><b>Michael R. Roxas</b><br/> <i>Chief Audit Executive</i></p>                                 | <p>Mr. Roxas, 45, Filipino, is the Chief Audit Executive of FLI. He has a dynamic 20-year management career in auditing, assurance and consultancy in real estate, retail, manufacturing and telecommunications companies. He performed financial, operations and compliance audits including business process, project management, continuous monitoring, process mapping, and fraud investigation. Prior to joining FLI, he was the Senior Assistant Vice President, Internal Audit and Risk Management of Global-Estate Resorts, Inc. (GERI). Before joining GERI, he was the head of Risk Management &amp; Insurance Division of Makati Development Corporation (MDC), a wholly owned subsidiary and the construction arm of Ayala Land, Inc. During his time in MDC, he championed several initiatives for MDC such as documentation and improvement of MDC's systems and procedures, establishment of the Enterprise-wide Risk Management program, development of Business Continuity Management, and Lean Construction. He has a Master's Degree in Business Administration from the Pamantasan ng Lungsod ng Maynila. He is a Certified Lead Auditor for ISO 9001:2008 Quality Management System and ISO 14001:2004 Environmental Management System. Mr. Roxas is certified in Safety Program Audit, Loss Control Management and Construction Occupational Safety and Health (COSH). He also obtained the Certified Internal Control Auditor (CICA) title in February 2019. He is a member of the Institute of Internal Auditors – Philippines (IIA-P) since 2009</p> |
| <p><b>Melissa C. Ortiz</b><br/> <i>Investor Relations Officer</i></p>                            | <p>Ms. Ortiz, 54, Filipino, is the Investor Relations Officer of FLI. She was previously the Head of Investor Relations for ABS-CBN Corporation, Head of Corporate and Financial Planning for Nutriasia Philippines and Head of Financial Planning and Investor Relations for MERALCO. She is a Certified Public Accountant. She obtained her Bachelor's Degree in Business Administration from the University of the Philippines and obtained her Master's Degree in Business Administration and Master of Science degree in Computational Finance from De</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

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|                                                                                                        | <p>La Salle University. She completed the Strategic Finance (CFO) Leadership Program, the Chief Financial Officer (CFO) Program and the Postgraduate Certificate on Business and Management Consulting Program at the Asian Institute of Management. She also completed the Real Estate Economics and Finance course of the London School of Economics and Political Science.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <p><b>Katrina O. Clemente-Lua</b><br/><i>Corporate Secretary and Corporate Information Officer</i></p> | <p>Ms. Clemente-Lua, 41, Filipino, was appointed as FLI's Corporate Secretary on March 24, 2023 and Corporate Information Officer on 16 March 2022. Ms. Lua was previously appointed as FLI's Assistant Corporate Secretary on 16 March 2022. She joined the Corporate and Tax Advisory Division of the Legal Department of FLI in October 2018. Prior to joining FLI, she served as the Legal Counsel of Philippine Stratbase Consultancy, Inc. and the Executive Director of Stratbase ADR Institute. She was previously an Associate of Carag Jamora Somera &amp; Villareal Law Offices, as well as the Senior Corporate Affairs Officer of Anchor Land Holdings. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Bachelor of Arts degree in Legal Management from De La Salle University and her Juris Doctor degree from Ateneo de Manila University.</p> |
| <p><b>Jennifer C. Lee</b><br/><i>Assistant Corporate Secretary</i></p>                                 | <p>Ms. Lee, 40, Filipino, was first appointed as FLI's Assistant Corporate Secretary on 24 March 2023. She joined the Corporate, Tax, and Compliance Division of the Legal Department of FLI in July 2021. Prior to joining FLI, she was an associate in Quasha Law and in Migallos &amp; Luna Offices. She is a member of the Integrated Bar of the Philippines (Makati Chapter). She obtained her Juris Doctor degree in University of the Philippines – Diliman and her Bachelor of Science in Commerce, Major in Legal Management in De La Salle University – Manila.</p>                                                                                                                                                                                                                                                                                                                              |

FLI's group structure as of September 30, 2024 is as follows:



### III. PROCEEDS RECEIVED BY THE SPONSOR

The equivalent monetary value of the proceeds from the buyback of FLI shares is approximately PHP1.86 billion, exclusive of the taxes and Transaction charges. This value corresponds to the exchange of 597,120,000 FILRT common shares multiplied by 3.11<sup>1</sup>.

### III. REINVESTMENT PLAN

FLI intends to use the monetary equivalent of the net proceeds of the Transaction to fund ongoing and future investments in real estate properties in Metro Manila and other key regions in the Philippines, which FLI may undertake on its own or through its subsidiaries. The transfer of funding from FLI to the relevant FLI subsidiary may be through capital infusion or through shareholder financing. In either case, the applicable documentary stamp taxes will be paid by the proper party, subject to their agreement. This includes investment in commercial and residential buildings. The projected disbursements in connection with the proposed use of proceeds are provided in the succeeding table:

<sup>1</sup> Represents the crossing price per FILRT share.

## ANNEX 1: REINVESTMENT PLAN (in P bln)

| Project Name                     | Location                            | Product                          | Status                                       | Percentage Completion | Target Completion Date | Total Capex Planned for 1 Year (P bln) | Capex (Pbln) 1Q2025 | Capex (Pbln) 2Q2025 | Capex (P bln) 3Q2025 | Capex (P bln) 4Q2025 | Ownership Land                                 | Ownership Building                                  | Disbursing Entity                                   |
|----------------------------------|-------------------------------------|----------------------------------|----------------------------------------------|-----------------------|------------------------|----------------------------------------|---------------------|---------------------|----------------------|----------------------|------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------|
| Mimosa Lifestyle Mall The Levels | Filinvest Mimosa Plus Clark Alabang | Retail mall<br>Mid-rise building | Ongoing construction<br>Ongoing Construction | 77%<br>0%             | Apr-25<br>Mar-27       | 0.655<br>0.190                         | 0.218<br>0.048      | 0.218<br>0.048      | 0.218<br>0.048       | 0.048                | Clark Development Corp<br>Filinvest Land, Inc. | Filinvest Clark Mimosa, Inc<br>Filinvest Land, Inc. | Filinvest Clark Mimosa, Inc<br>Filinvest Land, Inc. |
| Futura Monte                     | Camarines Sur                       | Mid-rise building                | Ongoing Construction                         | 53%                   | Dec-25                 | 0.100                                  | 0.025               | 0.025               | 0.025                | 0.025                | Filinvest Land, Inc.                           | Filinvest Land, Inc.                                | Filinvest Land, Inc.                                |
| Futura Bay GenSan                | Gen San                             | Mid-rise building                | Ongoing Construction                         | 0%                    | Sep-26                 | 0.100                                  | 0.025               | 0.025               | 0.025                | 0.025                | Filinvest Land, Inc.                           | Filinvest Land, Inc.                                | Filinvest Land, Inc.                                |
| Futura One Fora Dagupan          | Dagupan                             | Mid-rise building                | Ongoing Construction                         | 44%                   | Dec-25                 | 0.100                                  | 0.025               | 0.025               | 0.025                | 0.025                | Filinvest Land, Inc.                           | Filinvest Land, Inc.                                | Filinvest Land, Inc.                                |
| Futura Vinta Zamboanga           | Zamboanga                           | Mid-rise building                | Ongoing Construction                         | 64%                   | Dec-25                 | 0.100                                  | 0.025               | 0.025               | 0.025                | 0.025                | Filinvest Land, Inc.                           | Filinvest Land, Inc.                                | Filinvest Land, Inc.                                |
| Mimosa Retail                    | Filinvest Mimosa Plus Clark         | Retail mall                      | Ongoing Construction                         | 90%                   | Dec-25                 | 0.040                                  | 0.010               | 0.010               | 0.010                | 0.010                | Clark Development Corp.                        | Filinvest Land, Inc.                                | Filinvest Land, Inc.                                |
| Studio N                         | Alabang                             | High-rise building               | Ongoing Construction                         | 55%                   | Dec-25                 | 0.250                                  | 0.063               | 0.063               | 0.063                | 0.063                | Filinvest Land, Inc.                           | Filinvest Land, Inc.                                | Filinvest Land, Inc.                                |
| Futura Centro                    | NCR                                 | High-rise building               | Ongoing Construction                         | 64%                   | Dec-25                 | 0.075                                  | 0.019               | 0.019               | 0.019                | 0.019                | Filinvest Land, Inc.                           | Filinvest Land, Inc.                                | Filinvest Land, Inc.                                |
| 8 Spatial Davao                  | Davao                               | Mid-rise building                | Ongoing Construction                         | 81%                   | Dec-25                 | 0.100                                  | 0.025               | 0.025               | 0.025                | 0.025                | Filinvest Land, Inc.                           | Filinvest Land, Inc.                                | Filinvest Land, Inc.                                |
| Mimosa Golfridge Residential     | Filinvest Mimosa Plus Clark         | Mid-rise building                | Ongoing Construction                         | 40%                   | Dec-26                 | 0.150                                  | 0.038               | 0.038               | 0.038                | 0.038                | Clark Development Corp.                        | Filinvest Land, Inc.                                | Filinvest Clark Mimosa, Inc.                        |
| TOTAL                            |                                     |                                  |                                              |                       |                        | 1.86                                   | 0.52                | 0.52                | 0.52                 | 0.30                 |                                                |                                                     |                                                     |

FLI and its subsidiaries shall endeavor to cause the completion of the construction of the projects enumerated above within the projected timeframe. However, the exact completion dates and corresponding disbursements related to the projects specified above are subject to unforeseen events including but not limited to pandemic, fire, earthquake, other natural elements, acts of God, war, civil disturbance, and government and economic controls. Delays in the construction timetable and progress billings may also arise out of unforeseen site conditions or difficulty in obtaining the necessary labor or materials for the projects, or due to any other cause beyond the control FLI and its subsidiaries.

#### **IV. MONITORING AND REVIEW**

FLI shall monitor the actual disbursements of projects proposed in the Reinvestment Plan on a quarterly basis. For purposes of monitoring, FLI shall prepare quarterly progress reports of actual disbursements on the projects covered by this Reinvestment Plan.

In the event of changes in the actual disbursements of projects proposed in this Reinvestment Plan, FLI shall inform the SEC, PSE, BIR or any other appropriate government agency, by sending a written notice to that effect.

#### **VI. REPORTING**

FLI shall comply with reportorial and disclosure requirements prescribed by the SEC, PSE, BIR, or any other appropriate government agency.

FLI shall submit with the PSE a quarterly progress report and a final report on the implementation of the Reinvestment Plan that is duly certified by its Chief Finance Officer, Treasurer and External Auditor. The quarterly progress report shall be submitted to the PSE following the relevant PSE rules. FLI shall likewise submit a final report on the implementation of the REIT Plan and submit the same to the PSE.

The Reinvestment Plan and the status of its implementation shall be included in the appropriate structured reports of FLI to the SEC and the PSE. Any investment pursuant to the Reinvestment Plan shall also be disclosed by FLI via SEC Form 17-C, as may be necessary and as such investment is made. FLI shall likewise furnish the SEC with copies of the relevant documentary tax returns as may be applicable.

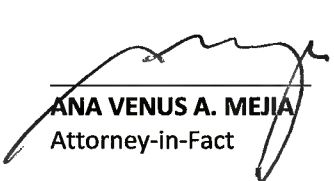
### CERTIFICATION

The **REINVESTMENT PLAN** was prepared and assembled under our supervision in accordance with existing rules of the Securities and Exchange Commission, Philippine Stock Exchange, and the Bureau of Internal Revenue. The information and data provided herein are complete, true, and correct to the best of our knowledge and/ or based on authentic records.

By:

**FILINVEST LAND, INC.**

Sponsor

  
**ANA VENUS A. MEJIA**

Attorney-in-Fact

**SUBSCRIBED AND SWORN TO** before me this DEC 11 2024 in Mandaluyong City, Metro Manila, affiant exhibiting to me as competent evidence of her identity, Passport ID No. \_\_\_\_\_ bearing her photograph and signature, issued by the Department of Foreign Affairs – | \_\_\_\_\_

Doc. No. 96;

Page No. 21;

Book No. 40;

Series of 2024.

**JOVEN G. SEVILLANO**

NOTARY PUBLIC FOR CITY OF MANDALUYONG  
COMMISSION NO. 0285-23 UNTIL DECEMBER 31, 2024  
IBP LIFETIME NO. 011302; 12-28-12; RIZAL  
ROLL NO. 53970  
PTR NO. 5420812; 1-3-24; MANDALUYONG  
MCLE COMPLIANCE NO. VII 0010250 14 APRIL 2025  
UG03 CITYLAND SHAW TOWER,  
SHAW BLVD. MANDALUYONG CITY