

April 15, 2026

Philippine Dealing & Exchange Corp.

29th Floor, BDO Equitable Tower
8751 Paseo de Roxas
Makati City 1226

Attention: **Atty. Suzy Claire R. Selleza**
Head - Issuer Compliance and Disclosure Department

Securities and Exchange Commission

The SEC Headquarters, 7907 Makati Avenue
Salcedo Village, Bel-Air, Makati City 1209

Attention: **Atty. Oliver O. Leonardo**
Director - Markets and Securities Regulation Department

Dear Mesdames and Gentlemen:

In compliance with PDEx Rule 7.20.2 and the Implementing Rules and Regulations of the Securities and Regulation Code, we enclose a copy of Cebu Landmasters, Inc.'s ("CLI" or the "Company") disclosure filing of its Annual Report.

We trust that this submission meets your requirements. If you have questions and/or clarifications, please feel free to contact the undersigned. Thank you.

Very truly yours,

CEBU LANDMASTERS, INC.

By:



ATTY. LOU DELIANNE I. REBOJA
Legal Counsel and Compliance Senior Manager

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-A, AS AMENDED

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

1. For the fiscal year ended
Dec 31, 2025
2. SEC Identification Number
CS200321240
3. BIR Tax Identification No.
227-599-320-000
4. Exact name of issuer as specified in its charter
CEBU LANDMASTERS, INC.
5. Province, country or other jurisdiction of incorporation or organization
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
10TH FLOOR, PARK CENTRALE TOWER, JOSE MA. DEL MAR ST., CEBU I.T. PARK,
BRGY. APAS, CEBU CITY, PHILIPPINES
Postal Code
6000
8. Issuer's telephone number, including area code
0322314870
9. Former name or former address, and former fiscal year, if changed since last report
N/A
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 Common Stock Outstanding and Amount of Debt Outstanding
COMMON SHARES	3,465,201,467
PREFERRED SHARES	4,280,340

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

☒ Yes ☐ No

If yes, state the name of such stock exchange and the classes of securities listed therein:

PHILIPPINE STOCK EXCHANGE - COMMON SHARES & PREFERRED SHARES

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)

☒ Yes ☐ No

(b) has been subject to such filing requirements for the past ninety (90) days

☒ Yes ☐ No

13. State the aggregate market value of the voting stock held by non-affiliates of the registrant. The aggregate market value shall be computed by reference to the price at which the stock was sold, or the average bid and asked prices of such stock, as of a specified date within sixty (60) days prior to the date of filing. If a determination as to whether a particular person or entity is an affiliate cannot be made without involving unreasonable effort and expense, the aggregate market value of the common stock held by non-affiliates may be calculated on the basis of assumptions reasonable under the circumstances, provided the assumptions are set forth in this Form

Php1,987,293,041

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

14. 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 or the Commission.

☐ Yes ☒ No

DOCUMENTS INCORPORATED BY REFERENCE

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

(a) Any annual report to security holders

FY2025 Conso FS, Parent FS, and Sustainability Report

(b) Any information statement filed pursuant to SRC Rule 20

-

(c) Any prospectus filed pursuant to SRC Rule 8.1

-

and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



Cebu Landmasters, Inc. CLI

PSE Disclosure Form 17-1 - Annual Report *References: SRC Rule 17 and Section 17.2 and 17.8 of the Revised Disclosure Rules*

For the fiscal year ended	Dec 31, 2025
Currency	PHP

Balance Sheet

	Year Ending	Previous Year Ending
	Dec 31, 2025	Dec 31, 2024
Current Assets	57,350,750,814	47,640,752,757
Total Assets	134,157,309,421	109,002,524,842
Current Liabilities	39,898,482,895	31,627,957,820
Total Liabilities	99,430,555,590	78,696,405,437
Retained Earnings/(Deficit)	13,697,101,471	11,623,591,601
Stockholders' Equity	34,726,753,831	30,306,119,405
Stockholders' Equity - Parent	22,411,230,806	20,345,576,387
Book Value Per Share	5.23	4.64

Income Statement

	Year Ending	Previous Year Ending
	Dec 31, 2025	Dec 31, 2024
Gross Revenue	20,740,871,179	19,498,912,217
Gross Expense	12,859,537,400	12,078,487,031
Non-Operating Income	64,546,516	24,035,404
Non-Operating Expense	2,431,943,326	2,216,681,286
Income/(Loss) Before Tax	5,513,936,968	5,227,779,304
Income Tax Expense	1,484,395,192	1,229,930,328
Net Income/(Loss) After Tax	4,029,541,777	3,997,848,977

Net Income/(Loss) Attributable to Parent Equity Holder	3,036,652,835	3,009,909,488
Earnings/(Loss) Per Share (Basic)	0.78	0.82
Earnings/(Loss) Per Share (Diluted)	0.78	0.82

Financial Ratios

	Formula	Fiscal Year Ended	Previous Fiscal Year
		Dec 31, 2025	Dec 31, 2024
Liquidity Analysis Ratios:			
; ; Current Ratio or Working Capital Ratio	Current Assets / Current Liabilities	1.44	1.51
; ; Quick Ratio	(Current Assets - Inventory - Prepayments) / Current Liabilities	0.62	0.85
; ; Solvency Ratio	Total Assets / Total Liabilities	0.72	0.74
Financial Leverage Ratios			
; ; Debt Ratio	Total Debt/Total Assets	0.74	0.72
; ; Debt-to-Equity Ratio	Total Debt/Total Stockholders' Equity	1.75	1.64
; ; Interest Coverage	Earnings Before Interest and Taxes (EBIT) / Interest Charges	4.97	4.32
; ; Asset to Equity Ratio	Total Assets / Total Stockholders' Equity	3.86	3.6
Profitability Ratios			
; ; Gross Profit Margin	Sales - Cost of Goods Sold or Cost of Service / Sales	0.51	0.52
; ; Net Profit Margin	Net Profit / Sales	0.22	0.21
; ; Return on Assets	Net Income / Total Assets	0.03	0.04
; ; Return on Equity	Net Income / Total Stockholders' Equity	0.13	0.17
Price/Earnings Ratio	Price Per Share / Earnings Per Common Share	3.02	3.33

Other Relevant Information

-

Filed on behalf by:

Name	Lou Delianne Reboja
Designation	Legal Counsel and Compliance Sr. Manager

COVER SHEET

C	S	2	0	0	3	2	1	2	4	0
SEC REGISTRATION NUMBER										

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

(Company Name)

1	0	T	H		F	L	O	O	R	,		P	A	R	K		C	E	N	T	R	A	L	E				
T	O	W	E	R	,		J	O	S	E		M	A	.		D	E	L		M	A	R		S	T	.		,
B	2		L	3	,		C	E	B	U		I	T		P	A	R	K	,		B	R	G	Y	.			
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6	0	0	0																									

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

Paquita T. Rafols										
Contact Person										

032-231-4870										
Company Telephone Number										

1	2
Month	

3	1
Day	

17-A										
Form Type										

0	7
Month	

1	1
Day	

Annual Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc		

Amended Articles Number/Section										

21										
Total No. of Stockholders										

Total Amount of Borrowings										
Domestic										
Foreign										

To be accomplished by SEC Personnel concerned

File Number										

LCU

Document I.D.										

Cashier

SEC Number: CS200321240
File Number: _____

CEBU LANDMASTERS, INC.

(Company's Full Name)

**10TH FLOOR, PARK CENTRALE TOWER
JOSE MA. DEL MAR ST., B2 L3
CEBU IT PARK, BRGY. APAS
CEBU CITY, PHILIPPINES 6000**

(Company Address)

(032) 231-4870

(Telephone Number)

December 31, 2025

(Fiscal Year Ended)

**SEC Form 17-A
Annual Report**

(Form Type)

-

(Amendments)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, AS AMENDED
ANNUAL REPORT PURSUANT TO SECTION 17
OF THE SECURITIES REGULATION CODE AND SECTION 141
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1. For the fiscal year ended **December 31, 2025**
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3. BIR Tax Identification No. **227-599-320**
4. Exact name of issuer as specified in its charter **CEBU LANDMASTERS, INC**
5. Province, Country or other jurisdiction of incorporation or organization **CEBU CITY, CEBU, PHILIPPINES**
6. Industry Classification Code (SEC Use Only)
7. Address of principal office
10TH FLOOR, PARK CENTRALE TOWER, JOSE MA. DEL MAR ST., B2 L3 CEBU IT PARK, BRGY. APAS, CEBU CITY, PHILIPPINES Postal Code **6000**
8. Issuer's telephone number, including area code **(032) 231-4870**
9. Former name, former address, and former fiscal year, if changed since last report
Not Applicable
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA

Title of Each Class	Number of Shares Issued and Registered
Common Shares - Outstanding	3,465,201,467
Preferred Shares	4,280,340
Common Shares - Treasury	158,250,530

11. Are any or all of these securities listed on a Stock Exchange.

Yes [X] No []

If yes, state the name of such stock exchange and the classes of securities listed therein:

Stock Exchange: **Philippine Stock Exchange**

Securities listed: **Common Shares and Preferred Shares**

12. Check whether the issuer:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17.1 thereunder or Section 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of The Corporation Code of the Philippines during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports);

Yes [X] No []

(b) has been subject to such filing requirements for the past ninety (90) days.

Yes [X] No []

13. Aggregate market value of the voting stock held by non-affiliates: **P1,987,293,041** as of December 31, 2025

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SIGNATURES

PART I – BUSINESS AND GENERAL INFORMATION

ITEM 1. DESCRIPTION OF BUSINESS

Business Development

CLI is the leading residential developer in VisMin. The Company's story commenced with a vision to provide quality homes for everyday Filipinos. Jose R. Soberano III founded CLI and incorporated the Company on September 26, 2003. On June 2, 2017, the Company was listed on the PSE with "CLI" as its ticker symbol. A total of 430,000,000 shares were issued and fully subscribed at ₱5.00 per share. CLI's initial public offering was instrumental in this growth, as it raised ₱2.15 billion of fresh capital from investors – boosting its expansion in new locations and fueling its various projects.

As of December 31, 2025, CLI has a total of 132 projects in different development stages and established a diverse portfolio of residences, offices, hotels, mixed-use properties, and townships across 17 key cities in the VisMin region.

In 2025, an independent study by Colliers International reaffirmed CLI's leadership in the VisMin residential market. Based on net sales for the period July 2024 to June 2025, the study identified CLI as the top residential developer in the region, with an 18% residential market share. The Company continues to maintain a strong presence across key VisMin cities, supported by sustained demand for its developments.

The Company has also received various industry recognitions. At the 2025 PropertyGuru Philippines Property Awards, CLI was recognized as Best Housing Developer in the Philippines, Best Developer in Visayas, and Best Developer in Mindanao. The Company was likewise named Employer of the Year Exemplar – Visayas at the 2025 People Management Association of the Philippines Awards. In addition, CLI received a 2 Golden Arrow award under the ASEAN Corporate Governance Scorecard by the Institute of Corporate Directors. Other recognitions during the year include the Green Initiative Award at the 2025 ACES Awards, two Bronze Stevie Awards for Innovative Achievement in Corporate Social Responsibility and Innovation in Annual Reports, and the Outstanding Large Corporation II award at the 2025 Land Bank Gawad Tanyag.

CLI's vision extends beyond the present accomplishments. The Company remains steadfast in its pursuit of expansion and innovation. CLI's robust growth strategies aim to further solidify its market leadership, foster strategic partnerships, and explore new avenues for sustainable development and community enhancement.

Business of the Issuer

The Company's operating segments are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets:

- Real Estate Segment – covers the development and sale of residential, condotel and office units to individual and corporate buyers.
- Rental Segment – includes leasing of office and commercial spaces to corporate organizations.
- Management Services Segment – focuses on the management of real estate projects and upkeep services to condominium corporations and homeowners' associations.
- Hotel Operations Segment – related to the management of hotel business operations that caters to hotel guests and condotel owners.

The following table sets forth each segment's contribution to the Company's total revenues for the years ended December 31, 2025, 2024, and 2023:

Business Segment	For the years ended December 31					
	2025		2024		2023	
	In ₱	%	In ₱	%	In ₱	%
Real Estate	17,782,574,379	96.03%	18,180,484,428	97.50%	18,508,302,086	98.35%
Hotel Operations	430,874,739	2.33%	240,468,442	1.29%	138,551,300	0.74%
Rental	226,552,155	1.22%	162,412,193	0.87%	112,343,856	0.60%
Management Services	77,427,129	0.42%	63,932,835	0.34%	59,216,126	0.31%
Total	18,517,428,402	100.00%	18,647,297,898	100.00%	18,818,413,368	100.00%

As of December 31, 2025, residential projects continued to account for the majority of the Company's operations and overall portfolio. Total revenues remained largely stable at ₱18.52 billion, slightly lower by 0.7% from ₱18.65 billion in 2024. The modest decline was mainly due to lower lot sales, following the reclassification of certain transactions to Other Operating Income. Excluding lot sales, real estate revenues posted strong growth, increasing by 10% year-on-year to ₱17.31 billion from ₱15.78 billion, highlighting sustained demand and steady progress across the Company's residential developments.

The Company's fastest growing and most popular brand is Casa Mira Series, catered specifically to the economic market, which reported a revenue of ₱6.28 billion, driven by Casa Mira Homes Butuan & Casa Mira Towers Palawan.

Another established brand of CLI that targets the mid-market is the Garden Series. Subdivisions under this brand are called Velmiro, while condominium projects are known as Garden Residences. Revenue from the said segment grew significantly by 77% y-o-y from ₱4.32 billion to ₱7.77 billion. This increase was mainly attributable to Velmiro Heights Davao and The East Village, the first residential project of CLI's Davao Global Township ("DGT") as well as Mandtra Residences in Cebu.

CLI's Premier Masters, catered to the premier market, are high-end developments which are in prime urban areas, offering a holistic lifestyle and world-class living. This segment recorded revenues of ₱2.45 billion, an increase of 11% y-o-y from ₱2.22 billion mainly driven by Costa Mira Beachtown Mactan, Costa Mira Panglao and 38 Park Avenue.

The Company mainly caters to domestic demand but also captures some foreign customers. The following table approximates the sales mix per nationality:

Nationality	%
Filipino	95.43%
American	1.24%
U.S. Citizen	1.16%
Canadian	0.37%
Japanese	0.34%
Australian	0.34%
Indian	0.26%
Korean	0.22%
British	0.22%

Dutch	0.11%
New Zealanders	0.04%
Israel	0.04%
Irish	0.04%
German	0.04%
Eritrea	0.04%
Total	100%

Strengthening leadership in the Visayas and Mindanao Region

CLI has rapidly grown from its humble beginnings on a single three (3)-hectare land in Balamban. The Company has evolved into a fully integrated real estate developer with a growing, highly varied portfolio of residences, offices, retail spaces, hotels, mixed-use developments, and townships spanning VisMin.

The Company has successfully expanded its residential offerings into the high-end segment with the Premier Masters selections. Its lineup of premium projects includes high-rises such as Base Line Premier, 38 Park Avenue, Astra Center, and Paragon Center, that are designed for holistic living in prime urban locations. Garden Series, which promises open spaces and well-designed homes like Mivela Garden and Velmiro Greens Bohol cater to the middle market. Casa Mira remains to be the Company's flagship business as it caters to the affordable and economic housing sector where demand is most robust and persistent. The Villa Casita line serves the socialized housing market. In 2023, CLI introduced its newest market segment called "Mirani". This brand is designed to cater to the more affordable housing segment with a price range of around ₱1.90 to ₱2.90 million. In June 2023, CLI launched Mirani Steps in Danao, its pioneer project under the newest brand. The project has sold out by 48.37% within three (3) months of launch.

In 2024, Cebu Landmasters, Inc. (CLI) marked a dynamic year of expansion with the launch of several key residential developments across the Visayas and Mindanao. These include *Casa Mira Homes Butuan*, the Company's first project Butuan, marking the Company's strategic entrance in the Caraga Region. CLI also added additional towers on existing projects, *Casa Mira Towers Palawan (Tower 5)* and *East Village (Tower 6)*. CLI also launched into new areas in Davao with its *Velmiro Heights Davao*, one of the Company's fastest-selling projects which sold out in just two days. And to end the year, CLI launched *North Grove at Pristina Town*, a garden-themed condominium nestled in the heart of Cebu City. Together, these launches reinforce CLI's commitment to delivering quality, value-for-money homes for Filipinos across key growth cities in the VisMin region.

In 2025, CLI posted a record ₱24.6 residential reservation sales backed by an active launch pipeline, with more than 4,500 residential units rolled out during the year, carrying a combined value of around ₱30.3 billion across Cebu, Cagayan de Oro, Palawan, and General Santos.



In 2021, CLI signed a Memorandum of Agreement (“**MOA**”) to acquire 14.3 hectares of Xavier University – Ateneo de Cagayan’s Manresa Property in uptown CDO. Proceeds of CLI’s purchase was used by Xavier University to develop the new Xavier University Masterson Campus. CLI plans to build developments as an essential part of the master plan, integrated into this university community. The new 21-hectare Xavier University Masterson Campus is envisioned to catalyze further development of CDO as Northern Mindanao’s education hub with a sustainable and New Normal-ready Campus Master Plan. In 2023, CLI obtained the ECC from the DENR to proceed with the development. Land development is currently underway, while construction is forecasted to be completed by the third quarter of 2025.



In 2025, the Company continued to strengthen its footprint in VisMin, including developments such as its mixed-use landbank in Liloan, Cebu, while taking a significant step into Luzon. The company recently secured a 70 hectare property in Dasmariñas, Cavite, marking its first major entry into the Luzon market. The site is expected to support a future township in one of the region’s fastest growing corridors, opening a new phase in CLI’s geographic expansion.

Distribution methods of the products or services

Residential products from the Company are offered to a broad variety of customers by several sales teams and accredited brokers and agents.

CLI has one of the industry-leading sales support teams. With over 82 sales support personnel, this team collaborates, coordinates, and supports the over 12,100-strong accredited broker/agent network of CLI. This is CLI’s strategy in working harmoniously with the seller community by assisting the brokers 24/7 from sales origination to closing and working with these brokers to address any client inquiries.

Completed Projects

Vertical and horizontal residential, mixed-use, office, hotel, and retail projects make up the 58 completed developments of the Company.

CLI has successfully completed 50 projects across Cebu, Bacolod, Cagayan de Oro, and Davao. Among these developments is One Astra, the company's first mixed-use property, with its initial residential tower now commencing turnover.

Other key projects—including Casa Mira Towers Mandaue in Cebu, Casa Mira Dumaguete in Negros Oriental, and Velmiro Green Bohol—began turnover activities in 2023 to 2025. Throughout this period, CLI has continued to deliver projects across the Visayas and Mindanao regions, including Velmiro Plains Bacolod, Velmiro Uptown Cagayan de Oro, and Mivela Garden Residences, among others.

As of December 31, 2025, the company's completed residential developments were 93% sold.

In addition to its residential developments, the Company owns three (3) operational office buildings and various leasable spaces, with Park Centrale in IT Park, Cebu serving as its headquarters. This development has maintained full occupancy since completion and received the prestigious Best Commercial Development in Cebu award from the Philippine Property Awards in 2014.

Latitude Corporate Center, a 24-storey structure completed in 2020, stands tall in the heart of Cebu's business district. Benefiting from the return of sectors like IT-BPO from work-from-home arrangements to office spaces, the Company is confident that this 5-Star BERDE-certified green building is positioned well to meet such a rebound.

In terms of retail, for the year 2025, CLI significantly expanded its GLA to 71,241 square meters, up 76% from 40,575 square meters in the previous year. This growth is attributed to the successful turnover of the increase was mainly driven by the completion and turnover of Banilad Highstreet and the Drive-Thru spaces in Davao Global Township, both of which achieved 100% lease occupancy as well as The New Patria De Cebu and Worknook.



With the goal of diversifying its portfolio, the Company entered the hospitality sector in 2019 with the opening of Citadines Cebu City, a 180-room serviced residence in partnership with The Ascott Limited as the hotel manager. Situated strategically within the Company's mixed-use lifestyle hub, Base Line Center, this project reflects CLI's strategy to broaden its product scope and create reinforcing value across business units.

As of December 31, 2025, the Company's completed projects are 93% sold-out, with only ₱ 4.00 billion remaining in inventory in terms of sales value. Looking ahead, CLI is preparing to grow within the VisMin real estate market, with plans to introduce new projects in key locations, expand into new markets, and cater to diverse demographics.

No.	Project	Location	Construction	Type	Market	No. of Units	Sold Units	Completion
1	San Jose Maria Village – Balamban	Balamban, Cebu	Horizontal	Residential	Garden Series	231	229	2006
2	San Jose Maria Village – Minglanilla	Minglanilla, Cebu	Horizontal	Residential	Garden Series	145	145	2008
3	San Jose Maria Village – Toledo	Toledo City, Cebu	Horizontal	Residential	Garden Series	144	110	2010
4	Asia Premier Residences	Cebu City	Vertical	Residential	Premier Masters	88	88	2012
5	San Jose Maria Village – Talisay	Talisay City, Cebu	Horizontal	Residential	Garden Series	96	96	2012
6	Base Line Residences	Cebu City	Vertical	Residential	Premier Masters	201	201	2013
7	Midori Plains	Minglanilla, Cebu	Horizontal	Residential	Garden Series	370	370	2014
8	Midori Residences	Mandaue City, Cebu	Vertical	Residential	Garden Series	396	396	2014
9	Park Centrale Tower	Cebu City	Vertical	Office	Office	55	55	2015
10	Villa Casita Balamban	Balamban, Cebu	Horizontal	Residential	Villa Casita	101	98	2015
11	Casa Mira Linao (Phase 1)	Minglanilla, Cebu	Horizontal	Residential	Casa Mira	580	577	2016
12	Casa Mira Linao (Phase 2)	Minglanilla, Cebu	Horizontal	Residential	Casa Mira	145	143	2016
13	Mivesa Garden Residences (Phase 1)	Cebu City	Vertical	Residential	Garden Series	476	467	2016
14	Mivesa Garden Residences (Phase 2)	Cebu City	Vertical	Residential	Garden Series	458	458	2016
15	Velmiro Heights (Phase 1)	Minglanilla, Cebu	Horizontal	Residential	Garden Series	348	347	2016
16	Casa Mira South Phase 1A	Naga, Cebu	Horizontal	Residential	Casa Mira	342	342	2018
17	Casa Mira South Phase 1B	Naga, Cebu	Horizontal	Residential	Casa Mira	667	665	2018
18	Casa Mira Towers Labangon Tower 1	Cebu City	Vertical	Residential	Casa Mira	272	272	2018
19	Casa Mira Towers Labangon Tower 2	Cebu City	Vertical	Residential	Casa Mira	414	413	2018
20	Base Line HQ	Cebu City	Vertical	Office	Office	60	60	2019
21	Base Line Premier	Cebu City	Vertical	Residential	Premier Masters	379	379	2019
22	Base Line Retail	Cebu City	Vertical	Mixed-Use	Retail	0	0	2019
23	Casa Mira South Phase 2A	Naga, Cebu	Horizontal	Residential	Casa Mira	494	491	2019
24	Casa Mira South Phase 2B	Naga, Cebu	Horizontal	Residential	Casa Mira	250	247	2019
25	Citadines Cebu City	Cebu City	Vertical	Hospitality	Hotel	5,918 sq.m.	0	2019
26	Guadalupe Pinamalayan Socialized Housing Project	Mindoro	Horizontal	Residential	Villa Casita	338	312	2019
27	MesaVerte Residences	CDO City, Misamis Oriental	Vertical	Residential	Garden Series	798	788	2019
28	Latitude Corporate Center	Cebu City	Vertical	Office	Office	64	59	2020
29	Mivesa Garden Residences (Phase 3)	Cebu City	Vertical	Residential	Garden Series	576	573	2020
30	Villa Casita North	Bogo City, Cebu	Horizontal	Residential	Villa Casita	663	655	2020
31	Casa Mira Coast	Dumaguete City	Horizontal	Residential	Casa Mira	543	537	2021
32	MesaTierra Garden Residences	Davao City	Vertical	Residential	Garden Series	677	655	2021
33	MesaVirre Building A	Bacolod City, Negros Occidental	Vertical	Residential	Garden Series	294	287	2021
34	MesaVirre Building B	Bacolod City, Negros Occidental	Vertical	Residential	Garden Series	442	415	2021
35	38 Park Avenue	Cebu City	Vertical	Residential	Premier Masters	764	733	2023
36	Base Line Lyf Hotel	Cebu City	Vertical	Hospitality	Hotel	159	0	2023
37	Base Line Prestige	Cebu City	Vertical	Residential	Premier Masters	351	351	2023
38	Casa Mira Bacolod	Bacolod City, Negros Occidental	Horizontal	Residential	Casa Mira	431	360	2023
39	Casa Mira Iloilo	Iloilo City, Panay	Horizontal	Residential	Casa Mira	1109	1073	2023
40	Casa Mira South (Phase 3A)	Naga, Cebu	Horizontal	Residential	Casa Mira	162	161	2023
41	Casa Mira South (Phase 3B)	Naga, Cebu	Horizontal	Residential	Casa Mira	458	457	2023
42	Casa Mira Towers Guadalupe T1	Cebu City	Vertical	Residential	Casa Mira	544	534	2023
43	Davao Global Township	Davao City	Estate	Townships	Estate	0	0	2023

44	MesaVirre Building C	Bacolod City, Negros Occidental	Vertical	Residential	Garden Series	336	299	2023
45	The Pad	Banilad, Cebu	Vertical	Hospitality	Dorm	258	0	2023
46	The Park @ 38 Park Avenue	Cebu City	Vertical	Mixed-Use	Retail	1,899 sq.m.	0	2023
47	Velmiro Greens Bohol (Phase 1)	Dauis, Bohol	Horizontal	Residential	Garden Series	204	194	2023
48	Velmiro Plains Bacolod	Bacolod City, Negros Occidental	Horizontal	Residential	Garden Series	342	331	2023
49	Velmiro Uptown CDO	CDO City, Misamis Oriental	Horizontal	Residential	Garden Series	395	393	2023
50	Citadines Bacolod	Bacolod City, Negros Occidental	Vertical	Hospitality	Hotel	200	0	2024
51	Casa Mira Dumaguete (Phase 1)	Dumaguete City, Negros Oriental	Horizontal	Residential	Casa Mira	517	513	2024
52	Casa Mira Linao (Phase 3)	Minglanilla, Cebu	Horizontal	Residential	Casa Mira	126	125	2024
53	Casa Mira Towers Mandaue T03	Mandaue City, Cebu	Vertical	Residential	Casa Mira	505	460	2024
54	Casa Mira Towers Mandaue T04	Mandaue City, Cebu	Vertical	Residential	Casa Mira	316	220	2024
55	Mivela Garden Residences	Cebu City	Vertical	Residential	Garden Series	1585	1489	2024
56	Casa Mira Towers Guadalupe T2	Cebu City	Vertical	Residential	Casa Mira	234	226	2025
57	Banilad High Street Retail	Banilad, Cebu	Vertical	Mixed-Use	Commercial	1,033 sq.m	0	2025
58	One Astra Place Residences 1	Mandaue City, Cebu	Vertical	Residential	Premier Masters	478	473	2025

Ongoing Projects (under construction)

CLI has 67 ongoing projects in various stages of construction as of the year ended 2025. These projects are spread out over 18 key cities in the VisMin region.

Out of the projects currently under development, 50 are property-for-sale developments, with a combined sales value of ₱85.20 billion. These projects have 20,888 units of which 94% were already sold and the aggregate sales value of remaining inventory amounts to ₱6.95 billion. CLI prioritizes a strategy of selling projects at high velocity, with a quick turnover of its developments, and swift movement from pre-selling to construction and delivery. Continuing sales efforts are being made to sell out the projects as they get closer to completion. The Company leverages on this market absorption of its products to cultivate the 1,900 accredited REBs and 12,100 sales agents across the VisMin region who continuously support CLI.

Investing in capital to support recurring revenue from both hospitality and leasing businesses is one of the strategies that CLI is currently aggressively pursuing while banking on the region's future growth. CLI's long-term strategy is to build up its office, retail, and hospitality portfolio's GLA to 200,000 sq.m. – eventually contributing to 10% of the growing top line within the next five (5) years.

The Company is currently constructing six (6) hospitality projects with a total of 922 room keys, and various office and commercial projects totaling a GLA of over 70,000 sq.m. More projects are in the pipeline at the planning and design stage to meet CLI's strategy to continue its build-up of its recurring income portfolio.

No.	Project	Location	Construction	Use	Market	No. of Units	Sold Units	% of completion	Completion Date
1	Astra Lifestyle Mall	Mandaue City, Cebu	Vertical	Mixed-Use	Retail	13,464 sq.m.	0	96.83%	2026
2	Casa Mira Ormoc	Ormoc	Horizontal	Residential	Casa Mira	685	683	81.05%	2026
3	Casa Mira South Phase 3A.2	Naga, Cebu	Horizontal	Residential	Casa Mira	437	435	95.50%	2026
4	Casa Mira South Phase 4A	Naga, Cebu	Horizontal	Residential	Casa Mira	229	155	0.00%	2026
5	Casa Mira South Phase 4B.1	Naga, Cebu	Horizontal	Residential	Casa Mira	198	198	62.85%	2026
6	Casa Mira South Phase 4B.2	Naga, Cebu	Horizontal	Residential	Casa Mira	174	174	97.01%	2026
7	Casa Mira Towers - Bacolod T1	Bacolod City, Negros Occidental	Vertical	Residential	Casa Mira	379	377	46.24%	2026
8	Casa Mira Towers - Bacolod T2	Bacolod City, Negros Occidental	Vertical	Residential	Casa Mira	327	323	59.58%	2026
9	Casa Mira Towers LPU T1	Davao City	Vertical	Residential	Casa Mira	465	463	87.67%	2026
10	Casa Mira Towers LPU T2	Davao City	Vertical	Residential	Casa Mira	465	465	87.67%	2026
11	Casa Mira Towers Mandaue Tower 2	Mandaue City, Cebu	Vertical	Residential	Casa Mira	407	377	92.62%	2026
12	DGT Pavilion & Retail pods	Davao City	Vertical	Mixed-Use	Commercial	4,398 sq.m	0	68.32%	2026
13	One Paragon Convention Center	Davao City	Vertical	Mixed-Use	Retail	2,252 sq.m	0	75.37%	2026
14	One Paragon Place	Davao City	Vertical	Residential	Premier Masters	554	546	91.82%	2026
15	Radisson Red	Mandaue City, Cebu	Vertical	Hospitality	Hotel	144	0	89.33%	2026
16	Abaca Resort	Mactan, Cebu	Vertical	Hospitality	Resort	125	0	59.95%	2026

17	Astra Corporate Center	Mandaue City, Cebu	Vertical	Office	Office	66	24	96.83%	2026
18	Casa Mira Towers Guadalupe T3	Cebu City	Vertical	Residential	Casa Mira	453	448	95.64%	2026
19	LPU Town Davao	Davao City	Vertical	Mixed-Use	Commercial	0	0	0.00%	2026
20	Magspeak Mountain Resort	Balamban, Cebu	Horizontal	Hospitality	Resort	23	0	83.88%	-
21	Mandtra Residences T1	Mandaue City, Cebu	Vertical	Residential	Garden Series	595	545	79.69%	2026
22	Mandtra Residences T3	Mandaue City, Cebu	Vertical	Residential	Garden Series	599	500	73.49%	2026
23	One Astra Place Residences 2	Mandaue City, Cebu	Vertical	Residential	Premier Masters	533	529	89.16%	2026
24	Patria de Cebu Hotel	Cebu City	Vertical	Hospitality	Hotel	171	0	53.22%	2026
25	Patria de Cebu Office	Cebu City	Vertical	Office	Office	4,562 sq.m	0	96.00%	2026
26	Patria Plaza	Cebu City	Vertical	Mixed-Use	Commercial	1,772 sq.m	0	90.66%	2026
27	Terranza Residences	Iloilo City	Vertical	Residential	Premier Masters	600	582	78.06%	2026
28	Costa Mira Beachtown Mactan	Mactan, Cebu	Vertical	Residential	Premier Masters	659	655	77.33%	2026
29	Masters' Tower	CBP Cebu	Vertical	Office	Office	4,886 sq.m	0	66.72%	2026
30	Masters' Tower Retail	CBP Cebu	Vertical	Mixed-Use	Commercial	300 sq.m	0	66.72%	2026

31	Sofitel Cebu	CBP Cebu	Vertical	Hospitality	Hotel	196	0	66.72%	2026
32	Calle 104 Retail	Cebu City	Vertical	Mixed-Use	Commercial	4,784 sq.m	0	55.87%	2026
33	CALLE 104 T1 (RAMOS)	Cebu City	Vertical	Residential	Garden Series	325	324	30.71%	2026
34	CALLE 104 T2 (RANUDO)	Cebu City	Vertical	Residential	Premier Masters	192	187	43.16%	2026
35	Casa Mira Homes Danao	Danao, Cebu	Horizontal	Residential	Casa Mira	595	594	37.66%	2026

36	Casa Mira Towers Palawan T1	Puerto Princesa, Palawan	Vertical	Residential	Casa Mira	227	225	47.26%	2026
37	Casa Mira Towers Palawan T2	Puerto Princesa, Palawan	Vertical	Residential	Casa Mira	253	242	44.22%	2026
38	COSTA MIRA BEACHTOWN PANGLAO T1-T2	Dauis Panglao Island, Bohol	Vertical	Residential	Premier Masters	692	672	38.21%	2026
39	East Village T1	Davao City	Vertical	Residential	Garden Series	414	414	48.94%	2026
40	East Village T2	Davao City	Vertical	Residential	Garden Series	314	314	24.84%	2026
41	East Village T3	Davao City	Vertical	Residential	Garden Series	359	359	34.28%	2026
42	East Village T4	Davao City	Vertical	Residential	Garden Series	387	383	29.25%	2026
43	Velmiro Bohol Expansion Ph2	Dauis, Bohol	Horizontal	Residential	Garden Series	52	51	61.15%	2026
44	Casa Mira Towers Mandaue T1	Mandaue City, Cebu	Vertical	Residential	Casa Mira	256	244	87.36%	2026
45	CMT Bacolod T4	Bacolod City, Negros Occidental	Vertical	Residential	Casa Mira	386	382	28.68%	2026
46	Cost Mira Panglao T3	Dauis Panglao Island, Bohol	Vertical	Residential	Premier Masters	364	342	26.84%	2026
47	Mirani Steps Danao	Danao, Cebu	Vertical	Residential	Mirani	215	213	53.01%	2026
48	Velmiro Heights Consolacion Ph1	Consolacion, Cebu	Horizontal	Residential	Garden Series	156	156	36.90%	2026
49	Casa Mira Towers CDO Tower 1	CDO City, Misamis Oriental	Vertical	Residential	Casa Mira	444	442	73.46%	2027
50	Casa Mira Towers CDO Tower 2	CDO City, Misamis Oriental	Vertical	Residential	Casa Mira	542	542	80.89%	2027
51	Velmiro Heights CDO	CDO City, Misamis Oriental	Horizontal	Residential	Garden Series	518	497	52.57%	2027

52	Citadines Paragon	Davao City	Vertical	Hospitality	Hotel	263	0	72.50%	2027
53	Casa Mira Dumaguete Ph2	Dumaguete City, Negros Oriental	Horizontal	Residential	Casa Mira	87	87	49.74%	2027
54	Casa Mira Towers Bacolod T3	Bacolod City, Negros Occidental	Vertical	Residential	Casa Mira	327	325	16.95%	2027
55	Mandtra T2	Mandaue City, Cebu	Vertical	Residential	Garden Series	685	585	53.34%	2027
56	Casa Mira Homes Davao	Davao City	Horizontal	Residential	Casa Mira	806	805	25.69%	2028
57	Casa Mira Towers Palawan T3	Puerto Princesa, Palawan	Vertical	Residential	Casa Mira	241	229	17.30%	2028
58	Mindara Residences (LPU Garden)	LPU Town, Davao City	Vertical	Residential	Garden Series	546	540	14.92%	2028
59	CMT Palawan T4	Puerto Princesa, Palawan	Vertical	Residential	Casa Mira	384	347	12.02%	2028
60	CMT Palawan T5	Puerto Princesa, Palawan	Vertical	Residential	Casa Mira	345	327	0.00%	2028

61	East Village T5	Davao City	Vertical	Residential	Garden Series	429	423	0.00%	2029
62	Manresa Town	Davao City	Estate	Townships	Estate	0	0	0.00%	-
63	Ming-Mori	Cebu City	Estate	Townships	Estate	0	0	0.00%	-
64	Casa Mira Homes Butuan	Butuan City, Agusan Del Norte	Horizontal	Residential	Casa Mira	676	648	24.67%	2029
65	East Village T6	Davao City	Vertical	Residential	Garden Series	288	288	13.00%	2029
66	Velmiro Heights Davao	Davao City	Horizontal	Residential	Garden Series	355	353	17.03%	2029
67	The North Grove Ph1	Cebu City	Vertical	Residential	Garden Series	1029	424	13.59%	2029

Notes:

** Mixed-use – individual components already describe its respective number of units, hotel keys and gross leasable area

*** Not applicable as the project relates to pure hotel operations

Newly launched and Pipeline projects for 2025

In 2025, CLI launched seven (7) projects with a total value of ₱31.25 billion. Among these is One Manresa Place, its pioneering residential development within the 14.6-hectare Manresa Town in Cagayan de Oro. The project generated PHP 4 billion in sales within two days of launch and reached PHP 5 billion within two weeks. With nearly 96% of its 940 units sold shortly after launch, the development highlights robust demand in Northern Mindanao and features sustainable design with more than 63% open space. Additionally, Casa Mira Homes GenSan was also launched during 2025 with 1,200 solar-powered houses. It achieved P4.3 billion sales within 3 days from launch. As of the first nine months of 2025, the project is now 100% sold. These achievements contributed to CLI reaching a 91% sell-out status across all projects at various stages of development.

No.	Project	Location	Construction	Use	Market	No. of Units	Sold Units	% of completion	Completion Date
1	One Manresa Place	Masterson Ave, Cagayan de Oro City	Vertical	Residential	Garden Series	940	908	0.00%	2029
2	Casa Mira Homes Gensan	General Santos City	Horizontal	Residential	Casa Mira	1218	1218	0.00%	2029
3	Velmiro Heights Consolacion Ph2	Consolacion, Cebu	Horizontal	Residential	Garden Series	194	98	26.13%	2029
4	The Wave Towers	Cebu City	Vertical	Residential	Premier Masters	709	169	6.19%	2030
5	CMT Palawan Ph3 (T6 & 7)	Puerto Princesa, Palawan	Vertical	Residential	Casa Mira	271	123	0.00%	2030
6	Costa Mira Beachtown Mactan T3	Mactan, Cebu	Vertical	Residential	Premier Masters	288	64	0.00%	2030
7	West Village T1-T2	Davao City	Vertical	Residential	Garden Series	619	506	0.00%	2030

Additionally, CLI expanded its hospitality portfolio with the grand opening of three hotels which went into full operation: lyf Cebu City at Base Line Center with 159 rooms, The Pad Co-Living in Banilad High Street with 258 rooms, and Citadines Bacolod with 200 rooms. These additions will complement Citadines Cebu City, which is operating 180 rooms, in CLI's strategy in growing its hotel portfolio. CLI is currently constructing six additional hotels to further enhance its revenue from the hospitality sector.

Moreover, CLI entered into its first international partnership by collaborating with NTTUDA, a Japanese company known for its mixed use residential and commercial developments, to establish CLI NUD Ventures, Inc. As part of this collaboration, CLI sold a lot for ₱2.00 billion to CLI NUD Ventures, Inc., for the development of a premier-grade condominium at Cebu IT Park. Their inaugural project, valued at ₱6.40 billion, is expected to launch in the second quarter of 2025. The first tower of this development will feature over 500 premium residential units, marking a significant milestone in CLI's expansion journey.

Furthermore, CLI spent ₱16.52 billion in capital expenditures, with the majority 49.27% allocated for residential development, 41.83% for lot acquisitions and 8.89% for investment properties.

As of December 31, 2025, CLI successfully sold out 68% of the new inventory from projects launched during the year, underscoring its ability to capture demand where it competes. CLI aims to sell the remaining units over its construction period.

Looking ahead, CLI remains well-positioned for sustained growth, backed by a robust pipeline of over 15 projects with an estimated sales value of ₱45 billion scheduled for launch in the coming year.

CLI will be selective in acquiring high potential landbank to drive sustained revenue growth in the future. As of December 31, 2025, CLI reported a total land bank of 188 hectares valued at ₱15.00 billion, including a 70-hectare site in Dasmariñas, Cavite, for its flagship Luzon township and a 78.8-hectare property in Liloan, Cebu, for a major township project. During the year, CLI also developed 24.52 hectares, primarily for Casa Mira Homes Gensan.

To support its initial expansion into Luzon, CLI has opened its first regional office outside the VisMin region, located in Makati City. This office serves as a strategic hub for the Company's growth and operations in the region, reinforcing its commitment to becoming a national developer.

The Company is actively negotiating the acquisition of properties in Luzon for its initial expansion into that market. Moving forward the Company is also planning to acquire an additional 175 hectares for future prospects.

Residential Developments

Residential developments constitute the cornerstone of the Company's operations and project portfolio. CLI's overarching goal is to meet the persistently unmet demand for quality-built, cost-effective housing, and well-planned communities that align with the needs of the market. In response to the housing backlog and the heightened desire for safe and secure homes, the Company consistently launches new housing projects.

To effectively address diverse market segments, the Company categorizes its housing developments into distinct brands. The largest contributing brand is Casa Mira, which has emerged as the fastest growing and most popular brand in VisMin. Starting with a typically priced at ₱120,000.00 per sq.m. or ₱2.00 million per housing unit, Casa Mira caters specifically to the economic market. House and lot units under Casa Mira start at around ₱2.20 million, with lot area starting at 60 sq.m. and floor area at 42 sq.m. Over time, the Casa Mira series has become a pivotal asset, securing the largest residential market share in VisMin. Its success can be attributed to its value proposition, providing residents with reasonably priced homes in aesthetically pleasing communities, complete with several amenities more associated with higher-priced developments. These include a clubhouse with multi-purpose halls, a chapel, swimming pool, multiple basketball courts, tennis courts and children's playground.

In a strategic move to grow the Company into more segments, CLI introduced the "Mirani" brand last July 2023. Designed to cater to the more affordable housing demand within the market spectrum with a price point of around ₱1.90 million, the Mirani brand debuted with Mirani Steps in Danao in June 2023. and is 48.37% sold out in three (3) months.

The Garden Series, targeting the mid-market segment, offers both vertical and horizontal product lines. Subdivisions under this brand are known as Velmiro, while condominium projects go by the name Garden Residences. Garden Residences condominiums feature selling prices starting at ₱140,000.00 per sq.m., with each housing unit price ranging from ₱2.50 million to ₱3.20 million for studio condominium units. Velmiro subdivisions have a 100 sq.m. lot area, with floor area of 50-100 sq.m., with a starting price of around ₱4.60 million. The Garden Series distinguishes itself by offering an upgraded array of amenities over the economic segments, including a swimming pool, multi-level clubhouse with function rooms, fitness gym, basketball court, and playgrounds situated in an expansive landscaped park.

Strategically, CLI offers Premier Masters, the high-end residential buildings with prices starting at ₱180,000.00 up to ₱300,000.00 per sq.m. These luxurious developments, located in prestigious urban areas, include Terranza Residences in Iloilo, Costa Mira Mactan, the two (2) Baseline condominiums, and 38 Park in I.T. Park Cebu.

Lastly, Villa Casita represents CLI's business in socialized housing, offering units at a price of ₱580,000.00. Through these socialized housing projects required under specific compliance terms, the Company endeavors to provide decent and affordable housing to the market segment. The list below categorizes the projects according to market segments:

Horizontal (Subdivision) Projects:

Socialized: Villa Casita North and Villa Casita Balamban in Cebu; Guadalupe Pinamalayan Socialized Housing Project

Mirani: Mirani Steps Danao

Economic:	Casa Mira Linao and Casa Mira South in Cebu; Casa Mira Coast and Casa Mira Homes Dumaguete in Negros Oriental; Casa Mira Bacolod in Negros Occidental; Casa Mira Iloilo in Panay, Casa Mira Danao in Cebu, Casa Mira Davao, Casa Mira Ormoc in Leyte, Casa Mira Homes Butuan in Agusan Del Norte and Casa Mira Homes Gensan in General Santos City
Mid-Market:	San Jose Maria Villages (" SJMV "), Midori Plains and Velmiro homes in Cebu, CDO, Bacolod and Bohol

Vertical (Condominium) Projects:

Economic:	Casa Mira Towers in Labangon Cebu, CDO, Mandaue Cebu, Guadalupe Cebu, LPU in Davao, Bacolod and Palawan
Mid-Market:	Midori Residences, Mivesa Garden Residences and Mivela Garden Residences, Calle 104 (Ramos Tower), Mandtra Residences in Cebu; MesaVerte Garden Residences CDO; MesaTierra Garden Residences, The East Village Towers DGT, Velmiro Heights and Mindara Residences in Davao, and MesaVirre Garden Residences in Bacolod, One Manresa Place in CDO, The West Village in Davao City and The North Grove in Cebu
High-End:	Asia Premier Residences, Base Line Residences, Base Line Premier, Base Line Prestige, 38 Park Avenue, One Astra Place, Calle 104 (Ranudo Tower) in Cebu; and One Paragon Place in Davao, Costa Mira Beachtown in Mactan Cebu and Panglao Bohol, Terranza Residences and The Wave Towers

Overall, a substantial portion of buyers of CLI's projects obtain financing either through Pag-IBIG, or through commercial banks under their home mortgage lines. The Company does not offer in-house financing. Historically, 5% of buyers obtained their financing through Pag-IBIG, 78% use commercial banks under their home loans lines and the remaining 17% of the buyers pay in cash.

Horizontal (Subdivision) Projects

Villa Casita Balamban

Launched in 2014, CLI's first socialized housing development is located at Buanoy, Balamban, Cebu. With a land area of 8,128 sq.m., it consists of 101 row house units with a lot area of 36 sq.m. and a floor area of 22.65 sq.m. Pre-sold units were priced at about ₱400,000.00. It is fully developed, completed, and sold out.

Villa Casita North

The second project of the Company's Villa Casita brand offers its homeowners well-designed homes, well-planned site development, and sizable green spaces for parks and community facilities traditionally found only in mid-market or upscale developments. The development is designed to provide over 663 homes to families in the North of Cebu with a selling price of ₱480,000.00 per unit.

Guadalupe Pinamalayan Socialized Housing Project

This socialized housing project in Pinamalayan, Oriental Mindoro, was started in 2015 in collaboration with Habitat for Humanity. The 3.9-ha. initiative includes 338 single-story and detached units, with 77 of them going to Habitat for Humanity recipients.

Mirani Steps Danao

Mirani Steps Danao, launched in July 2023, stands as the pioneer project under the newest Mirani brand by CLI. Specifically designed to meet the demand for affordable housing, these homes are envisioned to provide functional living spaces, quality finishes, and community amenities for its

buyers, with a price range of around ₱1.90 million to ₱2.90 million. CLI unveiled Mirani Steps Danao, marking the inaugural venture of this brand. The project has sold out 48.37% in 3 months since launch. The project is expected to turnover by the last quarter of 2028.

Casa Mira Linao

Launched in 2015, Casa Mira Linao is CLI's first foray into economic housing development. The project is located in the hills of Linao-Lipata, Minglanilla, Cebu on a 12-ha. property. Phases 1 and 2 comprise 725 townhouse units with floor areas ranging from 37 to 62 sq.m. and average selling price starting from ₱0.90 million to ₱1.40 million. It is fully developed, completed and sold out.

In 2020, CLI launched Casa Mira Linao Phase 3, which consisted of 126 single-detached townhouse units with 59 sq.m. in floor areas at an average selling price of ₱3.50 million.

Casa Mira South

Launched in 2016, this economic housing development is located in Naga City and the Municipality of San Fernando, both in Cebu Province. This 32-ha community built on a rolling terrain that allows for expansive views and generous open spaces and amenities, is divided into four phases consisting of over 3,000 townhouse units, with each unit having floor areas ranging from 36 to 59 sq.m. Average pre-selling price ranges from ₱1.10 million to ₱1.60 million. Phases 1 and 2 are completed and turnover to unit owners is almost complete. In 2018, it was awarded as the Best Housing Development in Cebu at the Philippine Property Awards.

In 2020, CLI launched Casa Mira South Phase 3A and Phase 3B with 616 units at an average pre-selling price of ₱1.20 million to ₱2.60 million. Due to the robust demand for the project, CLI launched Phase 4 in 2022 with a total of 1,023 units and sales value of ₱2.40 billion. As of the end 2022, these projects are fully sold.

Casa Mira Coast

Casa Mira Coast, a residential economic subdivision located in Barangay Maslong, Sibulan, Negros Oriental, is a 5.3-ha project that consists of 543 townhouses selling at ₱1.60 million to ₱2.20 million. It offers quality amenities that sets it apart from other economic housing projects. Adding to its appeal, the project has a view of the nearby coast and is only 2 kilometers away from the Dumaguete Airport.

Casa Mira Dumaguete

Launched in 2020, the second Casa Mira project in Negros Oriental is located in a 7-ha land in Junob, Dumaguete City. Its modern architecture and design were inspired by the classic American country home. This development is split into two phases with a total of 604 house-and-lot units. Average floor range is 60 to 135 sq.m.

Casa Mira Bacolod

Casa Mira Bacolod is the seventh Casa Mira project of CLI with 431 house-and-lot units. With its accessible location, homeowners enjoy more of the conveniences brought by business establishments, malls, schools, churches, and major institutions. The development offers generous open spaces and well-planned amenities at an affordable price ranging from ₱1.70 million to ₱2.20 million. The houses range from 40 to 46 sq.m. in floor area.

Casa Mira Homes Iloilo

This 14-ha community features a contemporary mix of townhouses and single detached units inspired by the cultural evidence of the Spanish colonial era that has been part of Philippine history. Its design and architecture mimic that of the Bahay na Bato that is one of the most iconic historical places in Iloilo. In 2020, CLI launched its first project in Iloilo City, Panay comprising

1,109 house and lots with a typical floor area of 48 sq.m. and average pre-selling price of ₱1.80 million to ₱2.70 million.

Casa Mira Homes Ormoc

Casa Mira Ormoc is the first Casa Mira brand in Leyte. It has a very strategic location, and it offers affordable townhouse units with very generous payment schemes. Casa Mira continues to expand to major key cities in Visayas and Mindanao and is launching its first project in Eastern Visayas. Casa Mira Homes Ormoc is a 9.13-ha residential subdivision in Brgy. Luna Ormoc City.

Casa Mira Danao

Strategically located in Danao City Cebu, this development in Northern Cebu will provide homes that allow buyers to maintain peace and privacy, while still having close proximity to essential establishments. CLI launched 595 units of this project in Q4 2022 with a sales value of ₱1.97 Billion. Site development works are being implemented while full completion is expected to be in 2027.

Casa Mira Davao

Casa Mira Danao is located in Brgy. Magtuod with 836 house and lot units on 135,842 sq.m. of land. Launched in June 2023, it is anticipated for completion in Q3 of 2027.

Casa Mira Homes Gensan

This is CLI's first solar-integrated residential project which was launched last June 2025. This project boasts 1,200 solar powered-ready houses which promotes the "at-scale sustainable housing" in the Philippines.

SJMV

This series of villages located in the south and southwest of Cebu City paved the way for CLI in providing affordable mid-cost quality homes to the middle market segment. SJMV offered a mix of single detached, semi-attached townhouses and lot-only options to the buyers. SJMV-Balamban is a 3.0-ha development with 231 units launched in 2013 SJMV-Minglanilla is a 2.9-ha development with 145 units launched in 2007. SJMV-Toledo is a 3.0-ha development with 144 units launched in 2009. SJMV-Talisay is a 1.9-ha development with 96 units launched in 2010. Lots were pre-sold at ₱7,000.00 per sq.m., while house and lot units averaged at ₱1.40 million to ₱3.60 million. All SJMV projects are fully developed and completed, with both SJMV-Minglanilla and SJMV-Talisay sold out.

Midori Plains

Launched in 2011, this mid-market development is located in the Municipality of Minglanilla, Cebu. This 7.0-ha Asian-inspired subdivision south of Cebu City has 370 residential units ranging from townhouse units with 40-sq.m. floor areas to single-detached units with an area of 77 sq.m. each. It is fully developed, completed, and sold-out.

Velmiro Heights Cebu

This mid-market development was launched in 2013 and is located on an 8.80-ha property in Tunghaan, Minglanilla, Cebu. This 348-unit development offers 11 different house models, ranging from townhouses to single-detached, two-storey units. Townhouses have 60-sq.m. floor areas, while the largest unit contains 131 sq.m. of living space. Townhouses were pre-sold at an average price of ₱1.70 million while the largest single-detached unit was about ₱5.30 million. Phase 1 & 2 is now fully developed, completed. Phase 1 already fully sold out.

Velmiro Uptown CDO

Launched in 2017, Velmiro Uptown is located in Upper Canituan, CDO City, providing easy access to various establishments in the city. This 14-ha. mid-market residential subdivision has a total of 395 house-and-lot units nestled at a prime spot in CDO City. The project offers a mix of units from townhouses to single detached houses with floor areas 60 to 106 sq.m., respectively. The average selling price ranges from ₱2.40 million to ₱5.00 million. The project has started turnover to new homeowners in 2022.

Velmiro Plains Bacolod

This 8.3-ha development is a modern mid-market residential community comprising 342 house and lot units with floor area ranging from 60 sq.m. to 106 sq.m. Located strategically at Granada, Bacolod City, the average selling price ranges from ₱2.60 million to ₱4.20 million per house and lot.

Velmiro Greens Bohol

CLI's first development in this 3.6-ha property in Dauis Panglao, Bohol is accessible to schools, places of worship, tourist spots, malls, beach resorts, and other major establishments. The project offers a mix of units from townhouses to single detached houses with average floor area ranging from 48 sq.m. to 67 sq.m. Average prices range from ₱2.30 million to ₱3.60 million per house and lot.

Casa Mira Butuan

Launched in 2024, Casa Mira Homes Butuan is a flagship residential subdivision developed by Cebu Landmasters, Inc. (CLI), marking its inaugural venture in Butuan City. Strategically situated along the National Highway in Barangay Ampayon, this development offers accessible and affordable housing options tailored for Filipino families seeking quality living in Northern Mindanao.

Velmiro Heights Davao

Velmiro Heights Davao is a modern residential subdivision developed by Cebu Landmasters, Inc. (CLI), located in Barangay Magtuod, Davao City. This 11.52-hectare development offers a harmonious blend of contemporary living and natural beauty, providing residents with stunning views and a serene environment. Lot sizes range from 100-258 sqm, with prices ranging from ₱5.20 million to ₱11.15 million. Launched in June 2024, this project completely sold out all 362 units in just two days.

Vertical (Condominium) Project

Casa Mira Towers Labangon

Launched in 2016, this is CLI's primary venture in the economic segment of residential condominiums. The project is located in Labangon, Cebu City on a 3,681-sq.m. property that used to be the location of the old CLI headquarters. This two-tower development on top of a commercial podium has a total of 686 residential units. It offers 20-sq.m. studio units and 1-bedroom units averaging 37 sq.m. units pre-sold at ₱1.25 million to ₱1.43 million. Construction for the development started in 2016 and was completed in 2018.

Casa Mira Towers Guadalupe

Located across the Fooda intersection of V. Ramos St., and V. Rama, this three-tower residential condominium has a total of 1,231 condominium units and retail components. A studio room currently costs around ₱2.60 million from its pre-selling price at ₱1.58 million. Tower 1, with 544 condo units, is fully sold and unit turnovers began in 2022. Tower 2, with 234 units, was launched in 2020 while 453 units Tower 3 was launched in 2021 with development now ongoing.

Casa Mira Towers Mandaue

Launched in 2019, Casa Mira Towers Mandaue, a four-tower mid-rise condominium located in Marciano Quizon, St, Mandaue City, Cebu, is the 8th development of CLI's Casa Mira flagship housing community. The project offers a mix of studio and one-bedroom units with prices ranging from ₱75,000.00 to ₱80,000.00 per sq.m. Phase 1 and Phase 2 development has 821 units and 663 units, respectively. This includes Tower 1 which was launched in Q1 of 2023. The project is expected to be delivered and turned over by 2024.

Casa Mira Towers Cagayan De Oro

Casa Mira towers Cagayan De Oro is a two-tower residential condominium with 986 units. Launched in 2019, the development also has its own retail spaces on the ground floor area still owned by CLI. The project had sold out in 2020, despite the nationwide community quarantines and the global pandemic.

Casa Mira Towers LPU

Located within minutes from Davao's Francisco Bangoy International Airport, Casa Mira Towers LPU is composed of two residential towers with 930 condominium units. The project will have a retail component at the ground floor for retail and food outlets to cater students from Lyceum of the Philippines – Davao. This two-tower project is integrated with the LPU Davao campus and serves its students, faculty, administrators and others in the school community.

Casa Mira Towers Bacolod

CLI launched its fifth Casa Mira condominium development in Bacolod City. Casa Mira Towers Bacolod is a four-tower residential project that's part of a master planned CLI complex along Lacson Avenue. Within that development is a Citadines hotel, a commercial complex, and another three-tower residential condominium of CLI garden series MesaVirre.

Casa Mira Towers Bacolod Towers 1, 2 and 3 are now 100% sold, generating a sales value of ₱2.72 billion for 1,033 units. In May 2023, CLI launched Tower 4, comprising 378 units, of which 68% have been sold to date.

Casa Mira Towers Palawan

CLI positioned its fastest selling brand in Palawan as it launched its first development in the city. The first four buildings of Casa Mira Towers Palawan have 1,105 units and were able to generate ₱2.98 billion reservation sales from the expected ₱3.45 billion sales. The Palawan project has projected gross revenues of ₱6.00 billion from the seven towers with Phase 1 set for completion in the last quarter of 2027. In 2024, CLI launched Tower 5 with an additional 345 units.

Midori Residences

This zen-inspired twin-vertical mid-market residential condominium development is located in Mandaue City, Cebu. Its 22-sq.m. studio and 40-sq.m. 1-bedroom units were pre-sold at an average of ₱1.30 million to ₱2.60 million. It is fully developed, completed, and fully sold out, with a total of 396 units having been sold.

Mivesa Garden Residences

Located in Lahug, Cebu City and launched in 2013, this 1.8-ha development is a home to seven midrise, mid-market residential buildings, and is designed as a garden-inspired community which has 60% open spaces within a convenient location. This is a three-phase project with the first two phases covering the first five buildings. The first two phases offered 937 units consisting of studio, 1-bedroom and 2-bedroom units. Pre-selling started at ₱1.20 million for a 20-sq.m. studio unit, and up to ₱2.90 million for a 2-bedroom 48-sq.m. unit. Phases 1 and 2 are completed and delivered. Phase 3, which has a total of 576 units, is completed and its turn-over started in 2020.

Mivela Garden Residences

Mivela Garden Residences is a ₱5.30 billion project, located in Banilad, Cebu City, with four-towers and 1,585 condo units. The Best-Selling Garden Series development has generated strong buyer interest as it is 80% sold out after three weeks of selling. The project is close to major establishments and commercial spaces in the Banilad neighborhood of Cebu. Construction immediately started and will be completed by the first half of 2025.

MesaVerte Residences

Launched in 2015, this is CLI's initial entry into the Mindanao market. It is located on an 8,740-sq.m. property in downtown CDO, Misamis Oriental, and 60% of the property is dedicated to open spaces. The project offers 20-sq.m. studio and 39-sq.m. 1-bedroom units which were pre-sold at ₱1.47 million and ₱2.88 million, respectively. The development is fully sold and is completed.

MesaTierra Garden Residences

Located in Emilio Jacinto Extension, the heart of Davao City, this 5,094 sq.m. mid-market condominium has a total of 677 residential units priced between ₱1.60 million to ₱3.40 million. This development has various amenities like swimming pools, sky garden, playground, and workspace. This condo project is now completed and turned over.

MesaVirre Garden Residences

Launched in the first quarter of 2018, MesaVirre Garden Residences, a three-tower mid-market condominium with 1,072 condo units, is CLI's first project in Bacolod. The project is only 17 minutes away from the airport, 3 kilometers from the Riverside hospital and situated near a number of malls.

One Manresa Place

CLI's first pioneering residential development within the 14.6-hectare Manresa Town in Cagayan de Oro . Three (3) towers was launched March 2025 offering 940 residential units.

The West Village

Launched on September 2025, this project is the second residential development in Davao Global Township which offers 619 units.

Mandtra Residences

Mandtra Residences is a JV project between CLI and CHDI, Mandtra Residences offers living spaces from studio units and 1-bedroom units with balcony and terrace. This ₱3.00-billion project has a total land area of 12,405 sq.m., 3 residential towers and a retail component in the common podium.

The East Village @ Davao Global Township

The East Village at DGT is the first residential development in the township with over 2,000 residential unit offerings spread across the six-tower vertical village. In 2022, CLI launched the first four towers of which were sold out in 4 days with new record breaking sales of ₱5.8 billion. The project immediately broke ground in the second quarter of 2022 and is scheduled for completion in the third quarter of 2026. And in 2023, Tower 5 was launched bringing additional 429 units and a sales value of ₱2.5 billion. Tower 6 was finally added in June 2024, with an additional 288 units, to be completed in 2029. The East Village is a project of YHEST Realty Development Corp., CLI's JV with the Yuson, Huang, and Tan families belonging to the Villa-Abrille families of Davao.

Asia Premier Residences

Launched in 2010, CLI's first vertical high-end residential condominium project is located at the Cebu IT Park, Cebu City. The development is also the first residential development in the area. The units ranged from studio units sized at 28 sq.m. and 3-bedroom units measuring 109 sq.m. It is fully developed and completed and has since sold out its 88 units.

Base Line Residences

This 201-unit residential condominium project is located in uptown Cebu City on Juan Osmeña Street. The project offered 23-sq.m. studio units at a pre-selling price of ₱1.59 million, while its 41-sq.m. 1 bedroom unit pre-sold at ₱3.15 million. The project was launched in 2011, and is fully developed and completed, with its 201 units having been sold out.

Base Line Premier

This development was launched in 2015 as one of the residential component of Base Line Center, a one-ha mixed-use development located along Juan Osmeña Street, Cebu City and right beside another CLI project, Base Line Residences. It has 379 units consisting of a 24-sq.m. studio and 45-sq.m. 1 bedroom units. Studio units pre-sold at ₱2.22 million, while 1-bedroom units pre-sold at ₱4.16 million. Construction started in March 2016 and was completed in 2018.

Base Line Prestige

Within Base Line Center, this high-end residential condominium is the other residential tower to rise in the popular mixed use development. The 351 units are accessible to various establishments. This tower has a range of amenities, from retail podiums, fitness gyms, pools, and playgrounds. Units for this project are being sold for ₱2.00 million to ₱10.00 million. The project is currently in its turnover phase to buyers.

38 Park Avenue

38 Park Avenue was launched last 2017 with a total of 764 units. This 38-floor New York inspired condominium is designed to be the highest building in Cebu I.T. Park. 38 Park Avenue presents five types of condo residences: studio (24 sq.m.), one-bedroom (54 to 56 sq.m.), two-bedroom (80 sq.m.), three-bedroom (111 to 137 sq.m.), and penthouse (320 to 420 sq.m.). Turnover of the units to buyers is currently on-going.

One Astra Place Residences

Situated in the heart of A.S. Fortuna Street, one the major thoroughfares of Mandaue City, One Astra Place is the residential component of Astra Centre, a mixed-use development with residential towers, an upscale lifestyle mall, a Radisson hotel, and modern office spaces. One Astra place is a 15-storey condominium that comes with amenities and features. Both the first and second residential towers were launched and are fully sold out to date. The project is scheduled to be completed by 2024.

One Paragon Place

This is a high-end residential tower integrated within The Paragon Davao, a master-planned development designed to be a lifestyle destination in Davao City. Standing 26 storeys-high, it has a full range of amenities that residents can enjoy and units with panoramic views of the city. One Paragon Davao is currently 98% sold, with 554 units selling for ₱2.14 billion.

Terranza Residences

Terranza Residences is a partnership with International Builders Corp. under a JV called GGTT. The 33-storey Terranza Residences is CLI's second Iloilo City project. It is expected to be completed by 2025, bringing in as much as ₱2.72 billion in revenues. It will be home to 600 units

on a 2,539-sq.m. property. The residential segment will offer one-bedroom units spanning 24 sq.m. to 174 sq.m., which may be combined, as well as penthouse units with 117 sq.m. of space to as much as 174 sq.m. The project will feature a sky lounge, a rooftop garden, a play area, fitness gym, and a helipad.

The Wave Towers

Strategically located in Cebu IT Park and in partnership with NTTUD, the first tower was successfully launched in June 2025. This is a 40 storey-building, offering 709 residential smart-ready units, premium amenities, and Japanese-inspired design.

Costa Mira Beachtown Mactan

The first CLI resort living project, Costa Mira Beachtown, is located in Mactan, Cebu. The development consists of three towers, the first two of which were launched in 2021 and are sold out and scheduled to be completed by 2027.

Calle 104

Calle 104 is a JV project of CLI and Borromeo Brothers Estate, Inc. under CBLRV. It is located in Cebu City's Ramos and Ranudo streets. The 5,530-sq.m. property has two towers: Ramos Tower has 20 floors while Ranudo Tower has 18 floors. Ramos Tower has 325 studios and one-bedroom units, while Ranudo Tower has 192 studios and three-bedroom penthouse units. Prices of the units range from ₱3.50 million to ₱23.70 million. Calle 104, which was immediately sold-out during launch, will be completed by the fourth quarter of 2026 and is projected to bring ₱3.00 billion in gross revenues.

Costa Mira Beachtown Panglao

Costa Mira Panglao is CLI's second resort living condominium. The development is under the JV company CLI-LITE and is designed to have three towers beside the renowned Panglao beach. In November of 2022, the JV launched two towers with a total project value of ₱3.50 billion. The last tower opened for pre-selling in Q2 2023 while the whole development is set to complete by 2027.

North Grove at Pristina North

Launched in 2024, this project is a garden-inspired residential condominium developed in partnership with Ixidor Holdings under the joint venture Cebu Homegrown Developers Inc. Situated within the prestigious Pristina Town in Brgy. Bacayan, Cebu City, this development offers a serene lifestyle that harmoniously blends modern condo living with the tranquility of nature.

Office Projects

In 2013, CLI opened its first office property, Park Centrale at I.T. Park Cebu, taking advantage of the growing BPO sector in Cebu. CLI's current strategy is to significantly expand its recurring revenue projects in order to deliver 200,000 sq.m. over the next five years in terms of GLA.

In 2020, the Company turned over Latitude Corporate Center, a Grade A office tower at the Cebu Business Park with a Gross Floor Area ("GFA") of 21,000 sq.m. Building development for Astra Corporate Center (18,823 sq.m. GFA) and Patria de Cebu Office (4,562 sq.m. GFA) are currently ongoing.

Office buildings include Park Centrale Tower, Base Line HQ, Latitude Corporate Center, Astra Corporate Center, Patria de Cebu Office, and Masters Tower Cebu Office.

Park Centrale Tower

Park Centrale Tower is CLI's first office development. Located at the Cebu IT Park, the 19-storey office tower was launched in 2013 with a total GFA of 11,920 sq.m. and was completed in only two years of construction. The project caters to both BPOs and executive offices. 60% of the office spaces were offered for lease, while the rest were fully sold as office condo units. In 2014, the project was awarded as the Best Commercial Development (Cebu) during the 2014 Philippines Property Awards ("**PPA**").

Base Line HQ

This project is the office component of the Base Line Center, a major mixed-used development of CLI. Similar to Park Centrale, the said project also caters to both BPOs and executive offices. CLI offered for sale 60 of the 74 office units, while the remaining were retained for the Company's growing leasing business. The strategic location attracted customers in the medical, legal, government, and outsourcing services.

Latitude Corporate Center

Latitude is a green building project registered with BERDE, the nationally accepted green building rating system used to measure, verify, and monitor the environmental performance of buildings that exceed existing mandatory regulations and standards in the Philippines. This 21,000-sq.m. (in GFA) development is a project of BL Ventures, a JV company of CLI and Borromeo Bros, Inc. With 24 storeys, Latitude will be the tallest office development at the Cebu Business Park. As the project developer and manager, CLI positioned this project as a three-product office development with BPO, enterprise and executive office offerings. The BERDE project was completed in 2020.

Astra Corporate Center

Part of the mixed-use project in AS Fortuna is Astra Corporate Center, the office leasing component of Astra Centre. The Office building is 15-storey high with a total of 18,823 sq.m. of GFA. The project is expected to be completed and be a source of leasing income for the Company by 2025.

Patria de Cebu Office

In 2018, CLI announced its partnership with the Archdiocese of Cebu to develop and operate a mixed-use project on the 6,670 sq.m. property. This is based on a 40-year lease. The project will be a redevelopment of the existing Patria de Cebu, an old Spanish establishment to accommodate hotel, retail, and offices. It will have approximately 21,000 sq.m. of GFA, with 4,562 sq.m. (GFA) of office spaces. The project is expected to be completed and fully operational by the year 2025.

Masters Tower Cebu Office

On February 19, 2021, the Company unveiled its ₱4.00 billion skyscraper that is set to open in 2026. This mixed-use tower located on a 2,840 sq.m. area in the Cebu Business Park will have a prime office component in anticipation of a robust economic recovery in the next few years.

The tower's office spaces from the eighth to the 12th floor anticipate the needs of locators who value efficiency and sustainability. The spaces will highlight horizontal louvers to reduce solar heat by almost 70% and to create a comfortable work environment. In addition to the louvers that reflect Cebuano craftsmanship, sky gardens in every floor and throughout the Leadership in Energy and Environmental Design ("**LEED**")-registered building adds a pleasant visual component to its occupants.

Hotel and recreational development

In addition to its residential and office developments, CLI has entered the hospitality business starting with the completion of its first hotel, Citadines Cebu City in September 2019. The following are the projects under the hospitality business of CLI, its Subsidiaries and its associate Magspeak:

Hotel:	Citadines Cebu City, Radisson Red, Base Line Lyf Hotel, Citadines Paragon Davao, Citadines Bacolod, Mercure Hotel and Sofitel Cebu City
Co-living:	The Pad
Resort:	Abaca Resort Mactan Cebu and Magspeak

Citadines Cebu City

Starting operations in September 2019, the project is an international serviced residence with 180 rooms of which 74 units were sold and 106 units were retained by the Company for recurring revenue. Citadines Cebu City is part of the mixed-use Base Line Center located in Juana Osmeña St, Cebu City, Cebu. It complies with international hospitality standards as it operates under the management of The Ascott Limited, the world's largest international serviced residence owner-operator.

Radisson Red

CLI partnered with another international hotel brand by signing a management contract with Radisson Hotel Group, one of the world's largest and most dynamic hotel groups, for the first Radisson RED in the Philippines. Radisson RED will be part of the Astra Centre, a major mixed-use development of CLI, along A.S. Fortuna St. in Mandaue City, Cebu. Radisson RED is intended to have 146 guest rooms with its unique designs and upscale select service offering, injecting life into the hotel through informal services. The development is scheduled for completion and operations by 2025.

lyf Cebu

Launched in 2024, lyf Cebu occupies a portion of the third tower in Base Line Center. This 153-room serviced residence project targets the booming local and foreign millennial market in Cebu City. The hotel is managed by Ascott Limited, one of the world's leading international serviced residences under their eponymous lyf brand.

Citadines Paragon Davao

Located at General Douglas MacArthur Highway, Bucana Tolomo, Davao City, Citadines Paragon is a serviced apartment condotel which will be managed by Ascott. The hotel is designed to provide guests its world class amenities, such as a fully equipped kitchen, home entertainment, dining, and access to retail outlets. Citadines Paragon is set to open by 2025

Citadines Bacolod

Citadines Bacolod is the first internationally branded hotel of Bacolod managed by Ascott Limited. The international hotel / serviced residences comprise 200 hotel units, an events hall, function rooms, meeting rooms, restaurants, bar and various hotel amenities within a 4,502 sq.m. property. The project opened mid-2024.

Mercure Hotel

In 2018, CLI announced its partnership with the Archdiocese of Cebu to develop and operate a mixed-use project on the 5,186 sq.m. property through a 40-year lease. The project will be a redevelopment of the existing Patria de Cebu to accommodate hotel, retail, and offices. This Filipino-Spanish inspired hotel development will cater to 167 guest rooms and is expected to be completed and fully operational by year 2025.

Abaca Resort Mactan Cebu

The all-suite Abaca Resort Mactan is a luxury resort in the Punta Engaño area of Mactan island that has received the highest ratings from global travel experts. With a footprint of 4,328 sq.m., the property is one of the few remaining prime properties in the area with an attractive oceanfront and just a short drive from the Mactan Cebu International Airport. CLI envisions the Abaca Resort Mactan to expand to a 125-room all-suite luxury development from its current nine rooms, to be completed in 2026.

In 2020, Abaca Boutique Resort in Cebu was nominated as Asia's Leading Boutique Beach Resort 2020 and Asia's Leading Boutique Resort 2020 in the 27th World Travel Awards.

Sofitel Cebu City

The first five (5)-star luxury hotel in Cebu will rise on one of the best corner properties with an area of 2,840 sq.m. in Cebu Business Park, Cebu City's primest central business district developed by Ayala Land. Sofitel Cebu City will be operated by multinational chain Accor, a world leading hospitality group headquartered in France. The sustainability of this LEED-registered building will be reflected in the design and operations of the 14th to the 32nd floors which will house the luxury hotel with 195 guest rooms, a grand ballroom, two restaurants, executive lounge, meeting rooms, roof deck, swimming pool, gym, and spa.

The Pad

In 2021, CLI signed a ₱360.00 million JV for a mixed-use development with co-living spaces and transient housing in Cebu near the IT Park. The Pad, with over 258 dormitory rooms, is currently turning over and was completed in 2023.

The Pad is the first entry of CLI on co-living spaces. The dormitory will have 258 semi-furnished rooms that can occupy three to four transients. The project is located along Banilad road, Cebu City which is strategically located near schools and BPOs. The Pad is integrated in the mixed-use development, Banilad Highstreet with retail and commercial spaces.

MagSpeak Resort and Villas

The 21-hectare mountain estate in Magsaysay Peak in Balamban, Cebu, with an elevation of 800 meters is owned by a JV company, MagsPeak, composed of CLI and Cebuano businessmen and fellow Caminoans, Bob Gothong, Segundino Selma Jr., Richard Ray King, and Douglas Gacasan. CLI is developing the project and will eventually operate it under its own management.

MagsPeak will be one of the starting points of the Camino de Cebu trail favored by pilgrims expressing their religious devotion. The MagsPeak to Compostela pilgrim trail is a 42-kilometer route traversing the mountainside of Manunggal Balamban down to the Municipality of Compostela, whose patron, St. James the Apostle, is also a featured saint in the MagsPeak chapel. The Camino de Cebu is based on the traditional Camino of Spain which is composed of several trails that converge on the city of Santiago de Compostela in northwestern Spain.

MagsPeak devotees can further immerse in a spiritual retreat inside the beautiful Our Lady of the Pillar Chapel which overlooks the mountains, or contemplate the 20 stations along the 800-meter-

long Rosary Walk, or meditation quietly the Pieta in a garden inspired by Michelangelo or do penance by climbing the 14 stations of the Way of the Cross from the entrance to the top of MagsPeak.

MagsPeak's offers a unique hospitality experience managed by CLI's Hospitality arm, CLI Hotels & Resorts. Opening in late 2025, the resort comprises 13 exclusive mountain villas and 20 hotel rooms highlighting views of the Balamban mountain landscape and the western Cebu seascape.

Mixed-use developments and Townships

With its growing brand, experience, and portfolio, CLI pursued larger scale developments in prime urban locations. They have a mix of residential, commercial, office, retail and hospitality with MICE components.

Mixed-Use and Township:	Base Line Center, 38 Park Avenue, Astra Center, Paragon Center, Patria de Cebu, Banilad Highstreet, Masters Tower, Cebu; Manresa Town, Ming-mori Reclamation Project and Davao Global Township

Base Line Center

CLI's first major mixed-use development is the Base Line Center, a 1.6-ha modern redevelopment in the heart of midtown Cebu. The Company removed the existing structures in the old Base Line, a well-known favorite gathering place of Cebuano families, and built a mixed-use development. The project started operations in 2019.

38 Park Avenue

CLI, through its JV, El Camino, acquired a 1.18-ha property inside the Cebu IT Park, the largest remaining private property inside the prestigious address. This property, called 38 Park Avenue at the Cebu IT Park, will be transformed into a mixed-use urban park with a 38-storey residential tower and retail boulevard.

Astra Center

In 2017, CLI launched another major mixed-used development, the Astra Center, in the AS Fortuna Mandaue area, a growing commercial district and the major thoroughfare that connects Cebu and Mandaue. This medium-density project will feature a hotel, residential condo, office, and a lifestyle mall.

Paragon Center

Another mixed-use development by CLI is the Paragon Center, a JV project in Davao that was launched in 2018. The development comprises the high-end condominium, One Paragon Place, Citadines Davao Hotel, a convention center, and a lifestyle retail strip.

Patria de Cebu

In 2018, CLI announced its partnership with the Archdiocese of Cebu to develop and operate a mixed-use project on the 6,670 sq.m. property through a 40-year lease. The project will be a redevelopment of the existing Patria de Cebu, an old Spanish establishment to accommodate hotel, retail, and offices. It will have approximately 21,000 sq.m. of GFA and is expected to be completed and fully operational by the year 2025.

Banilad Highstreet

CLI has inked a ₱360.00 million JV for a mixed-use development with co-living spaces and transient housing in Cebu nearby the IT Park. SPE, the JV company, has a long-term 20-year lease on a 7,500sq.m. property along Banilad and nearby Cebu IT Park which houses several business process outsourcing firms. The JV is with the Farrarons family who owns two hotels and a strip mall in Cebu City. Banilad Highstreet will have commercial spaces, over 258 dormitory rooms, and other retail offerings.

Masters Tower Cebu

Set to be completed in 2026, it will offer prime office and retail spaces and the first five-star luxury hotel in the Queen City of the South. Sofitel Cebu City will be operated by multinational chain Accor, a world leading hospitality group headquartered in France. The groundbreaking of the LEED-registered Masters Tower Cebu took place in September 2021. CLI is aiming for the building's LEED Gold certification.

Manresa Town

Manresa Town is a 14.3-ha. mixed-use development that's envisioned to be a vibrant university town fully integrated with the Xavier University Masterson Campus of the Future. The campus and the adjacent university town is a collaboration between CLI and Xavier University-Ateneo de Cagayan. Manresa Town is designed to be complete with retail spaces, offices, and, most importantly, student and teacher friendly residential offerings.

Davao Global Township

CLI also entered into a JV to develop a central business district in Matina, Davao. The 22-ha estate, called Davao Global Township, will be developed into a large-scale self-contained community with office, residential, mall and institutional uses. Its first residential condominium project, The East Villages has launched and is under construction.

Ming-mori Reclamation Project

CLI is currently working on the Ming-mori Reclamation Project in its pipeline projects. This master planned reclamation development covering 100 ha was issued an ECC by the DENR on July 22, 2020, following a comprehensive two-year review. This project is a JV, MMDC, between CLI and UKC Builders. The techno business hub will be a township project to house light industrial facilities with residential, commercial areas and an integrated port facility and to generate over 75,000 jobs in the municipality while meeting sound environmental guidelines.

Competitive strengths

Leading property developer in VisMin with a distinguished brand and reliable track record of project execution proven during the pandemic

In 2025, an independent study by Colliers International reaffirmed CLI's leading position in the VisMin residential market. The study identified CLI as the top residential developer in the region, having the largest market share among real estate firms. The 18% overall residential share in net take-up value sustained the Company's market leadership, indicating increasing consumer confidence and recognition in the market.

CLI has responded well to the increasing market demands of VisMin, outpacing other developers in finishing construction and delivering completed units to its customers. On average, CLI can convert raw land to a turned-over project in four to five years, depending on the project size.

The Company adopts a rigorous project management team approach, wherein key personnel from each business unit are given a regular platform to monitor project milestones and discuss important synergies and shared deliverables among business unit.

CLI had exhibited its capacity to execute project delivery during the height of the COVID-19 pandemic. Construction activity at the Company's 24 locations continued to advance at a modest pace while following local health protocols and required permitting to continue its site operations. This effort was motivated by the Company's dedication to deliver quality real estate developments on schedule to its customers. By the end of 2021, the economy had gradually reopened, allowing CLI to resume full swing in construction, with catch-up measures being implemented to make up for any delays brought about by the pandemic lockdowns.

Strategic location selection to provide value-for-money proposition to customers

The criteria for choosing a location for CLI are very rigid. The Company continues to be on the lookout for properties of high value appreciation potential. CLI's site quality has always been a catalyst for its excellent sales success, whether for a high-end condominium project or an affordable housing project. CLI has projects in the region's most valuable real estate major key areas in Cebu, Iloilo, Bacolod, CDO, and Davao. The Company looks at locations within a two-kilometer radius of the closest highway for its mid-market and affordable housing developments. The Company has enhanced the facilities in the neighborhoods where its housing developments are located. This has always proved to be a win-win for the residents as well as the local neighborhood.

CLI's experience with the city and its communities, as a native developer, allows the Company to choose the best locations for its projects and to cater to the market's needs and tastes. San Jose Maria Village, Balamban, CLI's first project, was established when CLI's founder, Mr. Jose R. Soberano III, recognized that there was a ready demand for affordable housing among employees of Balamban's manufacturing companies.

Because of CLI's proven track record, landowners who wish to sell or develop their properties jointly find it easier to approach and work together with the Company. This is evidenced by the number of proposals from landowners regularly received by CLI to buy or develop their properties.

CLI gives its clients more value for their investments. Its properties are distinguished by the quality of its locations, award-winning planning and design, generous amenities, timely and quality construction, and industry-best customer service, after-sales, and property management support at very competitive prices. The Company has a strong pipeline in various affordability levels and will strive to continuously improve its products' value proposition. As a success criterion and as practiced, CLI has always projected its initial pre-selling prices to appreciate by at least 20-25% by the time the construction is completed. As an indication of the positive market response, a number of its projects have set selling records in the markets where they are launched, and 98% of the inventory from its completed projects has been sold.

Highly diversified and expanding project portfolio catering to diverse socio-economic markets

CLI is a fully integrated RED with a highly diversified expanding portfolio of residences, offices, retail spaces, hotels, mixed-use developments, and townships across 18 major locations in VisMin, which includes Greater Cebu, Bohol, Dumaguete, CDO, Davao, Iloilo, Bacolod, Ormoc, Butuan, Palawan, and Gensan, among others.

During the pandemic, the Company was able to maintain earnings stability because of its wide portfolio of projects that addressed the demands of consumers from various socioeconomic strata. In 2020, CLI expanded its affordable housing offerings to address the rising need for high-quality housing where everyone can feel safe and comfortable in their residence, which serves as a hub for work, school, and recreation.

With the market's growing need for safe and secure homes, CLI launched the "Embrace Home" campaign to emphasize the value of homes. CLI also quickly made available online platforms

where buyers can purchase quality homes under flexible and comfortable payment terms and enticing promos. The Company took prompt action to continue its excellent services to its stakeholders, homeowners, and surrounding communities through technology. CLI quickly adapted to change to strengthen the Company's digital presence, to attend to the stakeholders' concerns despite all the limits COVID-19 has given.

Experienced management team and organizational culture

The Company aims to grow its workforce in line with high standards of professionalism, as it has over the last 21 years. The Group has grown from two employees to a dynamic team of 1,068 executives, managers, officers, and staff, with an average age 46 and over 250 years combined cumulative professional experience in their respective fields, who have contributed to the Company's culture of excellence and strong corporate governance. CLI's customer-first attitude and family-oriented team enables it to achieve high stakeholder satisfaction and establish strong brand equity.

CLI is led by a family of real estate professionals. Its founder, Chairman of the Board of Directors, President and CEO, Jose R. Soberano III, was a former executive at Ayala Land, where he played an integral role in the development of Cebu Business Park and Cebu IT Park, the two most valuable commercial districts in Cebu City up to this day. CLI has grown its talent pool with the addition of knowledgeable accounting and finance, business development, engineering, legal, marketing, and sales professionals with extensive experience and success in their respective professional careers. CLI's key executives have had prior experience in reputable companies from related industries such as real estate development, construction, power, banking, business process outsourcing, consulting, and others.

Strategic JV partnerships

CLI takes pride in its ability to collaborate with and deliver great value to its JV partners. CLI is the project manager and developer in all its JVs. These JVs enable the Company to position itself in strategic locations such as Cebu Business Park through BL Ventures, and Cebu IT Park through El Camino.

CLI's JV partnerships are typically of a closer and more collaborative nature than the norm, where it treats its JV partners as true and equal business partners. Its collaboration results in better-suited products in the markets they are launched in, while benefiting from the market intelligence of its partners. Product execution and delivery are also improved by leveraging the professional and regulatory networks of its partners.

Collaborating with a JV partner also facilitated the Company's forays into new markets such as Davao, Bacolod, and Iloilo. After the success of MesaTierra, the Company entered into new partnerships with YHES to develop Paragon Center and with YHEST to develop Davao Global Township, both in Davao.

Another JV company, CHDI with Ixidor Holdings, Inc. as a partner, is set to develop a mid-market, mixed-use, multi-tower condominium project in Mandaue City, Cebu as its first project. It is called Mandtra Residences. It has also acquired a strategic landbank in Talamban, Cebu, just outside the prestigious Prisinta North subdivision, from Aboitiz Land. The project is a high-end, mid-rise mixed-use development currently in the planning and design stages.

After the success of Latitude Corporate Center, CLI and Borromeo Bros. partnered afresh to develop another project in another prime location within Cebu City. CBLRV was incorporated in 2020 to develop a mixed-use multi-tower residential condominium in Ramos Cebu City.

Additionally, CLI recently signed a JV agreement with prominent Iloilo businessman Alfonso Tan, chairman of International Builders Corporation, for a high-rise residential tower on a prime corner

lot in Iloilo City's downtown area. The tower will be the first condominium offering in the highly accessible location.

CLI created two (2) JV partnerships in 2021. SPE was formed to build the 7,500-sq.m. property. A great location along Banilad Cebu City will be transformed into a mixed-use development with retail spaces and a 300-room dormitory. In addition, the Company formed CLI-LITE, a JV with Jun Lim of Lite Shipping Corp., to develop 4 has. of property in Panglao, Bohol, into a residential condominium project launched in 2022 and 2023.

In October 2023, CLI entered into a partnership with NTTUDA, an international developer known for commercial properties, including office buildings, residences, and mixed-use developments in Southeast Asia. This JV is geared towards the development of premium-grade residential towers in the heart of Cebu City.

In 2025, CLI further expanded its JV partnership by incorporating CLI MAC as an undertaking between CLI and Martinez Agricultural Corporation for the development of mixed-used condominiums in Cebu City. The principal place of business is located in Cebu City.

The Company's successful JV partnerships in its past and present projects underscores CLI's prominence as a preferred JV partner because of the priority it gives to its partners, its transparency in terms of project planning and accountability, and its quick execution and delivery of projects. The fast business development cycle it implements makes the Company attractive to its current and future JV partners.

Financial strength: Strong profitability, prudent financial management and a healthy balance sheet

CLI's Net Profit to its shareholders has increased at a compound annual growth rate of 17.5% from its first public offering in 2017 to the recent full year 2024. The Company has continually proven great profitability and prudent financial management throughout its expansion. CLI's gross profit and Net Profit increased steadily while maintaining good margins and debt management discipline.

CLI ended the pandemic year 2020 with a Consolidated Net Income of ₱2.08 billion and Net Income attributable to equity shareholders of ₱1.85 billion, a slight decline of 8% y-o-y from ₱2.01 billion in 2019, based on its audited financial statements. The modest earnings results were due to the reduced construction operations caused by the lockdown measures imposed by the government during the enhanced community quarantine period. In 2020, CLI was able to benefit from the attractive interest rate environment as it raised a total of ₱8.00 billion in March, which was completely subscribed by several financial institutions at an average fixed rate of 4.15%.

For the year ended 2021, CLI recorded ₱2.61 billion net income attributable to CLI shareholders in 2021, an increase of 42% from ₱1.85 billion y-o-y. CLI's topline grew by 35% to ₱11.16 billion from 2020's ₱8.30 billion driven by significant construction accomplishments and robust sales, which have further resulted in a ₱25.00 billion or 23% increase in unrecognized revenue for future recognition, based on its audited financial statements. The Company also maintained prudent debt management during the year. The Net Debt to equity ratio remained at modest levels standing at 1.72x while lowering down cost of borrowing to 4.75% from 4.96% in 2020.

In 2022, CLI recorded Normalized Net income to parent shareholders of ₱3.17 billion, an increase of 21% from ₱2.61 billion in 2021, the remainder after tax adjustments for the year were factored out.

In 2023, CLI showcased a commendable financial performance, reporting a consolidated Net Profit of ₱4.64 billion. This figure reflected a significant y-o-y increase of 29% from the previous period's ₱3.61 billion. Furthermore, the Net Profit attributable to the Parent company of CLI demonstrated a solid growth of 13%, reaching ₱3.58 billion compared to ₱3.17 billion in the same period last year. The notable earnings expansion can be attributed to the Company's robust

performance across all revenue streams which led to CLI's Revenues increasing by 20% to ₱18.82 billion from ₱15.66 billion the previous year. This is supported by higher construction progress and higher sales take-up. Using the weighted average of 3,465,201,467 shares, EPS was ₱1.03 for the year 2023 as compared with the same period last year of ₱0.92, a 12% increase.

For the year ended December 31, 2024, the Company demonstrated a steady topline with revenues increasing by 4% to ₱19.53 billion from ₱18.82 billion in the same period last year. This growth was driven by lot sales and expansion across all business segments, highlighting robust market demand. Consequently, the company sustained its earnings momentum with Net Profit to Parent, rising from ₱3.01 billion to ₱2.79 billion - reflecting a 8% year-on-year.

In 2025, The listed company's revenues reached ₱18.5 billion, with net income remaining stable year-on-year. Results were partly shaped by the timing of project completions and revenue recognition, alongside steady construction progress across developments. Consolidated net income reached ₱4.03 billion for the year, slightly higher year-on-year, reflecting steady contributions from completed projects and recurring income streams.

The Company also prides itself in its cost discipline. While CLI utilizes contractors for its projects, it purchases its own raw materials and employs a dedicated project management team to ensure that quality and costs meet the Company's requirements.

CLI also has one of the most organized and responsive accounts receivable and customer support departments in the industry. The delinquency rate improved to 2.62% in 2025 from September 2023, 3.82% in 2022, and 5.21% in 2021.

CLI also has a dedicated accounts management team who facilitates the take-out process, whether through a bank mortgage or a cash payout for the contract balance.

In respect of its debt management, CLI endeavors to match its debt maturity profile with the cashflow it is generating from the very projects being funded. CLI's cash cycle is typically four to five years depending on the project type. So especially in a rising interest rate environment, the proceeds to be raised from the Bonds are intended to be a means to carry out CLI's ongoing strategy of moving its debt maturity profile towards the longer end of the curve and at the same time mitigating the impact of higher borrowing costs since the Bonds involve fixed interest rates.

Operational excellence

CLI has a fully integrated real estate set-up encompassing different areas, namely, acquisitions, business development, technical planning, engineering and project management, sales and marketing, documentation and licensing, legal services, customer service, and property management. The Company prides itself on its hands-on and personalized approach, which allows itself to respond effectively to its clients and industry partners.

Construction

For each horizontal and vertical development, CLI engages various general and specialty contractors with both local and national experience. With over 223 engineers in its roster, CLI handles the project and construction management aspect of every project and manages the various contractors and subcontractors that are utilized. As the In house Construction Managers, CLI controls the delivery of its projects with priority on promptness, quality, and professionalism. CLI does not have any in-house construction or any affiliated general contracting business.

Sales

CLI has one of the industry-leading sales support teams. With over 73 sales support personnel, this team collaborates, coordinates, and supports the over 11,000-strong accredited broker/agent network of CLI. This is CLI's strategy in working harmoniously with the seller community by

assisting the brokers 24/7 from sales origination to closing. CLI works alongside brokers in addressing the client inquiries until closing.

Key Strategies

Expansion to key cities in the Visayas and Mindanao

Regional Developments:

Bacolod : MesaVirre Garden Residences A-C, Casa Mira Granada, Velmiro Plains, 163 Casa Mira Towers Bacolod T1-T4
Bohol : Velmiro Plains Bohol Ph1-2
Butuan : Casa Mira Butuan
Davao City : MesaTierra Garden Residences, The Paragon Center, Davao Global Township, Casa Mira Towers LPU, The East Village T1-T4
Casa Mira Homes Davao, Mindara residences
Dumaguete : Casa Mira Coast, Casa Mira Dumaguete Ph1-2
Gensan : Casa Mira Gensan
Iloilo : Casa Mira Iloilo, Terranza residences
Palawan : Casa Mira Towers Palawan T1-T4
Ormoc : Casa Mira Ormoc
CDO : MesaVerte Garden Residences, Velmiro Uptown CDO, Casa Mira Towers, Velmiro Heights CDO

In 2015, CLI embarked on its regional expansion when it launched MesaVerte Residences in CDO. This is the mid-market condominium offering of CLI with three 15-storey residential towers having a total of 798 units which almost sold out in less than a year of pre-selling. In 2018, the Company then introduced its mid-market horizontal project in the same city – Velmiro Uptown CDO. The subdivision's master plan shows an inventory of 395 units intended to meet the housing demand in the area.

In CDO, the Company set up its first satellite sales, administrative, and engineering offices. The Company found a unique advantage in being homegrown, as it can distinguish itself further in these new regional markets with similar local dynamics as that of Cebu's.

In 2016, CLI successfully set its foothold in Davao by launching MesaTierra Garden Residences, a 22 storey residential condominium.

In 2017, CLI strengthened its market presence in Davao by entering into two new JVs to develop the Paragon Center and Davao Global Township, a 22-ha. estate project. The Company then launched Casa Mira Coast, a five-ha. property in Sibulan, Negros Oriental. After the successful launch of its first Casa Mira brand outside Cebu, CLI expanded its footprint from Negros Oriental to Negros Occidental by introducing MesaVirre Garden Residences, a three-tower residential condominium project in Bacolod City.

In 2018, the Company launched Astra Center, its first mixed-used building in Mandaue, Cebu. The Astra Centre is composed of Astra Centre Mall, Radisson RED, One Astra Place and Astra Corporate Centre.

In 2019, the Company acquired Abaca Resorts Mactan and Lowaii Marine Cebu Resort in Mactan, Cebu to increase revenues from its hotel segment. CLI entered into a JV with an Aboitiz Company, to develop Mandtra Residences, a mid-market, mixed-use, multi-tower condominium project in Mandaue City, Cebu.

In 2020, CLI sets footprint in Bohol and Iloilo with the successful launching of Velmiro Greens Bohol, a 3.6-ha. modern mid-market horizontal development in Jaro Daus, Panglao, Bohol, and Casa Mira Iloilo, 14.4-ha. economic subdivision project in Jaro, Iloilo City with 1,109 housing

units. With the fully takeup Casa Mira Coast in Sibulan, Negros Oriental, the Company launched Casa Mira Dumaguete, a 6.1ha. project to develop 604 economic horizontal housing units. CLI also launched Casa Mira Towers LPU, a 930-unit economic condominium project, as a housing option for students in Lyceum of the Philippines University.

In 2021, CLI launched its first project in Ormoc, Casa Mira Ormoc is the first Casa Mira brand in Leyte. It has a very strategic location, and it offers affordable townhouse units with very generous payment schemes. Casa Mira continues to expand to major key cities in Visayas and Mindanao and is launching its first project in Eastern Visayas. Casa Mira Homes Ormoc is a 9.13-ha residential subdivision in Brgy. Luna Ormoc City.

In 2022, CLI purchased 17.2 has. of land in Butuan City to be developed into Casa Mira Butuan by Q1 2024. During 2023, the company also expanded to General Santos City by purchasing 21 has. of land. The company envisions launching both its Casa Mira and Velmiro brands as entry points to the Gensan market. To date, planning and permitting is ongoing for the said project.

In 2023 CLI continued further expansion with its acquisition of a 21 hectare property in General Santos, while purchasing an additional 22.6 hectares in Macabug Ormoc for 2024.

In 2025, the rise in revenue share outside Cebu was supported by new projects such as Velmiro Heights Davao, Casa Mira Homes Butuan, Casa Mira Homes Davao, Mindara Residences, East Village Residences, Casa Mira Towers Bacolod, Casa Mira Towers Palawan, and Costa Mira Beach Panglao.

CLI has several strategic land acquisitions lined up in greater Cebu, Bacolod, CDO, and Davao. CLI continues to pursue its aggressive plans to establish and deliver quality developments across the VisMin region. Strengthening its expansion in Luzon, CLI has opened in early 2025 its first regional office outside the VisMin region, located in Makati City, to support its growth and operations in the area. As of 2025, the Company has acquired a property in NCR and is in active negotiations to acquire landbank within the Greater Manila Area as part of its strategic efforts to expand its footprint in Luzon.

Building recurring income developments

As CLI set its sight on a long-term growth trajectory, the Company is committed to growing its recurring income portfolio. In 2013, CLI launched its first office building in Cebu IT Park. The project, Park Centrale Tower, was designed to host both BPO and executive offices (office condominium units). With its Grade A design and features, Park Centrale Tower was awarded as the Best Commercial Development in Cebu in the 2014 PPA.

In 2015, CLI made another significant step in growing its recurring income portfolio when it launched its Phase 1 of Base Line Center, a redevelopment of one of the largest remaining properties in the prime midtown Cebu area. The project is a mix of retail, office, hotel, and residential project.

In 2016, CLI launched Latitude Corporate Center, a JV development under BL CBP Ventures Inc. This is a 24-storey Grade A office building offering future-ready spaces for businesses with a 13,000 sq.m. GLA.

In 2017, the Company launched 38 Park Avenue, a residential high-rise project with 3,000 sq.m. of retail space located in the last 1.18-hectare patch of green in Cebu I.T. Park, one of the Philippines' top 20 prime real estate properties.

In 2018, the Company launched Astra Center, a mixed-use development located in Mandaue City designed to have a boutique mall, hotel, office, and residential tower adding over 30,000 sq.m. GLA.

The first hotel business of the Company started operations in September 2019 allowing CLI to recognize a new stream of revenue from the segment. Citadines Cebu City, the 180-room

condotel, is operated and managed by Ascott International Management Pte Ltd., the world's largest international serviced residence owner-operator. As of 2025, CLI has four (4) operating hotels namely Lyf Hotel Cebu City with 159 rooms, The Pad Co-Living with 258 beds, and Citadines Bacolod with 200 rooms.

In 2021, CLI launched Masters Tower, the project is a 31-storey hotel and office tower that will establish a destination within Cebu Business Park and bolster Cebu's status as an international city. It will be the tallest tower in the district, with over 7,000 sq.m. of Class A office space and the first 5-star hotel in Cebu, Sofitel Cebu City. The property is located on a 2,840-sq.m. area in the Cebu Business Park and will be among the top three tallest structures in the metropolis, which would top off at 192 meters above sea level.

CLI's current recurring income assets include BPO floor space, executive office space, residential units, and various commercial and retail units in its condominium projects. These assets are now delivering a lease income to CLI amounting to ₱162.41 million from a combined GLA of 40,575 sq.m. At present, the Company's rental leased rate is at 75% after the newly delivered spaces from Latitude Corporate Center, DGT Drive thru, Banilad High street, Baseline Center new wing, 38 Park Avenue, Casa Mira Towers Guadalupe were substantially leased out. Several under construction commercial developments that will further boost its recurring income includes Astra Center, Patria de Cebu, DGT Commercial Center, Masters Tower among others. These new developments are designed to boost the recurring income of the Company by 2025 by integrating a hotel, commercial center, office, and residential tower into one development.

Vertical integration – property management services

On April 20, 2017, CLPM, a wholly owned subsidiary of the Company, was incorporated to provide property management services to housing, condominium and office projects developed by the Company. With the goal of making CLPM a self-sustaining and revenue generating business unit, CLPM is envisioned to eventually offer and expand its services to outside clients. Currently, CLPM is managing 37 projects with revenue for the period ending December 31, 2023, 2022, and 2021 are ₱77.74 million, ₱57.78 million, and ₱45.20 million respectively. For the year ended December 31, 2024, property management fees reached ₱96.33 million.

Growth of economic housing brand (Casa Mira)

The Casa Mira brand of CLI is designed to answer the underserved demand in the affordable housing sector. And even after the pandemic, Casa Mira remained CLI's fastest selling and most sought-after brand. Unit prices range from ₱1.80 million to ₱3.00 million. Correspondingly, the monthly amortizations range from as low as ₱6,000.00 to as high as ₱15,000.00. This caters to households with monthly incomes of ₱15,000.00 to ₱30,000.00.

Despite the pandemic, strong housing demand in VisMin enabled CLI to sell a number of housing units from Casa Mira which accounted for 69% of the Company's reservation sales in 2020 amounting ₱14.23 billion. In 2021, as the economy reopens, demand for the Casa Mira brand remains resilient, accounting for 41% of the ₱16.52 billion reservation sales that the Company recorded during the year. In 2022, Casa Mira accounted for 32% or ₱5.88 billion of the total reservations sales for the year. In 2024, Casa Mira segment accounted for 32% of residential reservation sales with the launches of Casa Mira Palawan Tower 5 and Casa Mira Butuan. In 2025, the segment continued to deliver strong performance, maintaining a 32% share, equivalent to ₱7.72 billion in residential reservation sales, with Casa Mira Homes GenSan as a major contributor.

The Garden Series, targeting the mid-market segment, which open open spaces and well-designed homes, are available in both vertical and horizontal product lines. The Company foresees a growing demand for new, well-built, well-planned, and strategically located homes for the mid-market segment – homebuyers who can afford a monthly equity payment of ₱8,000.00 to ₱15,000.00 and an annual income of ₱400,000.00 to ₱800,000.00.

By 2025 onwards, CLI will roll out the Casa Mira and Garden Series brands in its newly acquired expansion sites in Butuan and Gensan, and also in existing sites as additional phases and towers. The Company sees this as a great opportunity to tap into the classes B, C, and D markets where most of the working population belongs to. With the Philippines' young and growing workforce, the need for affordable permanent housing options will continue to escalate.

Capitalizing on pipeline projects

CLI remains well-positioned for growth, supported by a strong pipeline of over 15 projects with an estimated value of ₱45 billion scheduled for launch in the coming year. The Company continues to actively pursue strategic landbank acquisitions across VisMin, focusing on high-potential areas to support future developments. This disciplined and forward-looking approach to expansion reinforces CLI's ability to sustain growth and capitalize on emerging opportunities in the real estate sector.

Establish and leverage strategic partnerships, alliances, JVs, and cooperation

CLI will also continue to pursue local partnerships that will serve to enhance its expansion plans. The Company has proven that strategic alliances can provide a winning formula for securing strategic locations and entering new markets for as long as the JVs are executed with best practices. Its existing JVs are BL Ventures, CCLI, Cebu BL-Ramos Ventures Inc., CHDI, CPH, El Camino, GGTT, MGR, YHESPH, YHEST, YES, and YHES.

SPE and CLI-LITE, Inc. are CLI's new JV agreements for 2021. In addition, the business expanded its stake in MMDC from 20% to 78%, making it the JV's project manager and principal developer.

In October 2023, CLI initiated a strategic partnership with NTTUDA, a Japanese entity recognized for its expertise in developing commercial properties such as office buildings, residences, and mixed-use developments across Southeast Asia. This collaborative venture is specifically designed for the development of premium-grade residential towers situated in the heart of Cebu City. The partnership between CLI and NTTUDA signifies a shared commitment to delivering high-quality real estate solutions and marks a significant milestone in elevating the standards of residential developments in the region.

In 2025, CLI MAC was incorporated as an undertaking between CLI and Martinez Agricultural Corporation for the development of mixed-used condominium project in Cebu City. CLI exercised control over CLI MAC through its authority to direct operational activities and govern strategic and financial policies. The principal place of business is located in Cebu City. As at December 31, 2025, CLI MAC has yet to commence commercial operations.

The Company's successful JV partnerships in past and ongoing projects underscore CLI's standing as a preferred JV partner, owing to the priority it accords to its partners, its transparency in project planning and accountability, and its quick execution and delivery of projects. CLI's fast business development cycle further enhances the Company's appeal to current and future JV partners.

Corporate Organization

CLI is presently engaged in real estate-related activities such as real estate development, sales, leasing, and property management. Its real estate portfolios include residential condominium units, subdivision house and lots, and townhouses as well as hotels, office projects, retail spaces, and townships.

In 2016, AB Soberano, formerly AB Soberano International Corporation, one of CLI's stockholders, assumed control of CLI by acquiring an additional 400,000,000 shares of CLI and

became the parent company of CLI. ABS is a holding company and is incorporated and domiciled in the Philippines. The registered office and principal place of business of AB Soberano is located at 2nd Street Villa San Lorenzo, Quijada Street, Barangay Guadalupe, Cebu City.

On January 6, 2017, the board of directors approved CLI's application for the registration of 1,714 million of its common shares with the SEC and application for the listing thereof in the PSE. The board of directors' approval also covered the planned initial public offering of 430 million unissued common shares of CLI. CLI's shares were listed in the PSE on June 2, 2017.

On February 26, 2021, the Company increased its authorized capital stock to ₱10.00 billion common shares and ₱100.00 million voting preferred shares.

On July 14, 2021, CLI distributed stock dividends of 123% per share. This resulted in an increase in total outstanding shares after the stock dividends to 3,461,851,997. This is net of the total shares held under treasury as of the end of December 31, 2021, amounting to 161,600,000 shares.

On January 4, 2024, the SEC issued and released the Certificates of Filing of Amended Articles of Incorporation, both dated December 29, 2023, which approved CLI's applications for amendment of its Articles of Incorporation to create a new class of preferred shares through the reclassification of 1.0 billion unissued common shares with a par value of ₱1.00 per share to 1.0 billion Series "A" preferred shares with a par value of ₱1.00 per share. The SEC applications are in line with the approval of the Board of Directors during the special board meeting held on April 25, 2023, and approval of the Stockholders during the Annual Stockholders' meeting held on June 1, 2023 on the amendment of Article VII of CLI's Articles of Incorporation, including the creation of the new class of preferred shares. As a result of the reclassification and amendment of the Articles of Incorporation, CLI's authorized capital stock now comprises ₱9.00 billion common shares, ₱1.00 billion Series "A" Preferred Shares, and ₱100.00 million Series "B" Preferred Shares.

Article VII of CLI's latest Amended Articles of Incorporation grants to its Board of Directors the express authority to determine, fix, and approve all other features, salient and commercial terms, issuance and redemption features, and all other terms and conditions of the Series "A" preferred shares, including any tranche or sub-series thereof.

In relation thereto, and during its special board meeting held on January 8, 2024, the CLI Board of Directors approved and authorized the Company's public offering of 3,000,000 Series "A" Preferred Shares with an oversubscription option of up to 2,000,000 Series "A" Preferred Shares at an offer price of ₱1,000.00 per share. The CLI Board of Directors also approved the terms and conditions of the offer shares during the same board meeting.

On April 12, 2024, the Company successfully raised ₱4.28 billion through the sale of Series A-1 and Series A-2 preferred shares. The shares were listed on the Philippine Stock Exchange (PSE) under the ticker symbols CLIA1 and CLIA2. The offering was 1.43 times oversubscribed relative to its firm offer amount, with dividend rates set at 7.59% p.a. for Series A-1, which may be redeemed by CLI after four (4) years, and 8.25% p.a. for Series A-2, which may be redeemed by CLI after seven (7) years, from their issue date.

CLI and its Subsidiaries are not involved in any bankruptcy, receivership, or similar proceedings, and have no material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business.

Subsidiaries and Affiliates

Corporate structure

The Company holds ownership interests in the following Subsidiaries and associates as of December 31, 2025:

Entity	Effective Percentage of Ownership	
	2025	2024
<i>Subsidiaries</i>		
(1) A.S. Fortuna Property Ventures, Inc. (“ ASF ”)	100	100
(2) CLI Hotels and Resorts, Inc. (“ CHR ”)	100	100
(3) CLI Premier Hotels Intl. Inc. (“ CPH ”)	100	100
(4) Cebu Landmasters Property Management, Inc. (“ CLPM ”)	100	100
(5) CLI-LITE Panglao Inc. (“ CLI-LITE ”)	88	88
(6) BL CBP Ventures, Inc. (“ BL Ventures ”)	50	50
(7) Yuson Excellence Soberano, Inc. (“ YES ”)	50	50
(8) Yuson Huang Excellence Soberano, Inc. (“ YHES ”)	50	50
(9) YHEST Realty and Development Corporation (“ YHEST ”)	50	50
(10) CCLI Premier Hotels, Inc. (“ CCLI ”)	50	50
(11) YHES Premier Hotel Inc. (“ YHESPH ”)	50	50
(12) Mivesa Garden Residences, Inc. (“ MGR ”)	45	45
(13) El Camino Developers Cebu, Inc. (“ El Camino ”)	35	35
(14) Cebu Homegrown Developers, Inc. (“ CHDI ”)	50	50
(15) Cebu BL-Ramos Ventures, Inc. (“ CBLRV ”)	50	50
(16) Ming-Mori Development Corporation (“ MMDC ”)	78	78
(17) GGTT Realty Corporation (“ GGTT ”)	50	50
(18) Sugbo Prime Estate, Inc. (“ SPE ”)	64	64
(19) CLI NUD Ventures, Inc. (CLI NUD)	60	60
(20) CLI MAC Developers, Inc. (CLI MAC)	60	-
(21) CLI Luzon Ventures, Inc. (CLI Luzon)	100	-
(22) CLI Water Inc. (CLI Water)	100	-
Entity	Effective Percentage of Ownership	
	2025	2024
<i>Associates</i>		
(23) Magspeak Nature Park, Inc. (“ Magspeak ”)	25	25
(24) Icom Air Corporation (“ ICOM ”)	33	33
(25) Iloilo Global City Corporation (“ IGCC ”)	43	-

- (1) ASF was incorporated as a JV on March 9, 2017 to facilitate the acquisition of a 9,989-sq.m. property along AS Fortuna Avenue for the development of the Astra Center Mandaue, a mixed-use development in the AS Fortuna Mandaue area that will house a hotel, residential, and office development and a boutique mall. CLI acquired all the ownership interest of its business partners at the end of 2017 which made ASF its wholly owned subsidiary as of December 31, 2017. Its principal office is located on the 10th Floor, Park Centrale Tower, J.M. Del Mar St., Cebu IT Park, Brgy. Apas, Cebu City.
- (2) CHR was incorporated on August 4, 2022 as a wholly-owned subsidiary of CLI and is engaged to run and manage the Group’s various hotel projects. Its principal place of business is located in Cebu City.
- (3) CPH, a wholly owned subsidiary of the Company, was incorporated on August 26, 2016 to take charge of Citadines Cebu City and the Company’s future hotel developments. The commercial operations started on September 14, 2019. Its principal office address is at 10th Floor, Park Centrale Tower, J.M. Del Mar St., Cebu IT Park, Brgy. Apas, Cebu City.
- (4) CLPM, a wholly owned subsidiary of the Company, was incorporated on April 20, 2017, to provide property management services initially to housing and condominium projects

developed by the Company. It is envisioned to eventually offer and expand its services to outside clients. CLPM started commercial operations on September 1, 2017. Its principal office address is at 10th Floor, Park Centrale Tower, J.M. Del Mar St., Cebu IT Park, Brgy. Apas, Cebu City.

- (5) CLI-LITE was incorporated on July 19, 2021, as an undertaking by CLI and two other corporations for the development of a mixed-use project with residential condominiums and a possible hotel component in Panglao Island, Bohol. The principal place of business of CLI-LITE is located in Cebu City.
- (6) BL Ventures was incorporated on February 3, 2016, to develop Latitude Corporate Center, a 24 storey office development at the Cebu Business Park. BL Ventures was a JV of the Company and Borromeo Bros, Inc. Its principal office address is at AB Soberano Bldg., Salvador Ext., Labangon, Cebu City.
- (7) YES was incorporated on December 15, 2016 to mark the Company's entry into the Davao market. It is a JV between the Company and Yuson Comm. Investments Inc. to undertake the development of MesaTierra Garden Residences, a 21-storey residential condominium, and two other mixed-use projects in Davao City. It will also engage in real estate brokering to facilitate the marketing and sale of the JV developments in Davao. Its principal office address is at Suite A, 204 Plaza De Luisa Complex, 140 R. Magsaysay Ave., Davao City.
- (8) YHES was incorporated on November 10, 2017, to develop the Paragon Davao, a 1.9-ha property in Riverside Davao. The development will become a mixed-use real estate which will include a residential, retail, hotel, and convention center. YHES Inc., is a JV of CLI, Yuson Strategic Holdings Inc., and Davao Filandia Realty Corp. Its principal office is located at MesaTierra Garden Residences Showroom, E. Quirino Avenue, Davao City.
- (9) YHEST was incorporated on August 10, 2018 to develop the Davao Global Township. It is a JV between CLI, Yuson Strategic Holdings Inc., Davao Filandia Realty Corp., Plaza De Luisa Development Inc., Yuson Newtown Corp., and Davao Primeland Properties Corp. Its principal address is at MesaTierra Garden Residences Showroom, E. Quirino Avenue, Davao City.
- (10) CCLI was incorporated on November 12, 2018, as an undertaking between CLI and Capitaine, Inc. for the development of Citadines hotel in Bacolod City. The Citadines hotel is planned to be managed by Ascott. The principal place of business of CCLI is located at the 2nd floor MesaVirre showroom in Bacolod City.
- (11) YHESPH was incorporated on October 28, 2019, as a wholly owned subsidiary of YHES that will engage in hotel business. Its ultimate parent is CLI which owns 50% of YHES. YHESPH has not yet started its commercial operations.
- (12) MGR was incorporated on March 13, 2017 to develop Towers 6 and 7 (Phase 3) of Mivesa Garden Residences, a real property development project located on a 3,000-sq.m. property to be registered in the Company's name. Its principal office is located on the 10th Floor, Park Centrale Tower, J.M. del Mar St., Cebu IT Park, Brgy. Apas, Cebu City. CLI holds a 45% stake in MGR.
- (13) EL Camino was incorporated on August 15, 2016, to develop a 1.17-ha. property inside the Cebu IT Park, and to construct (1) 38 Park Avenue at the Cebu IT Park, a 38-storey high-end residential condominium, and (2) Park Avenue Corporate Center, a Grade A office building with over 20,000 sq.m. of leasable area. Its principal office address is at Base Line Center, Juana Osmeña St., Brgy. Kamputhaw, Cebu City. The Company has a 35% stake in El Camino.
- (14) CHDI, a JV of Aboitizland and CLI, was recently incorporated on December 5, 2019 to develop a high-rise mixed-use condominium complex, with sellable and leasable units, in a 12,405 sq.m. lot area in Mandaue City, Cebu. The Company has a 50% stake in Aboitiz CLI Cebu Developers, Inc.

- (15) CBLRV was incorporated on February 21, 2020, as an undertaking between CLI and BBEI and is engaged in the development of a mixed-use condominium tower in Cebu City. Its principal place of business is located in Cebu City.
- (16) MMDC was incorporated on August 1, 2013, to undertake and execute land reclamation projects, submit bids, and accept awards for reclamation projects, and manage, hold, and sell reclaimed land and other real property. MMDC is the private consortium that has proposed to undertake the Ming-Mori Reclamation Project of the Municipality of Minglanilla, which involves the development of the Minglanilla TechnoBusiness Hub, a 100-ha. techno-business park in the progressive town of Minglanilla, a mere 30 minutes away from Cebu City. The Company has increased its stake to 78% from 20% in MMDC in 2021. This transaction enabled CLI to become the project manager and principal developer of the reclamation project.
- (17) GGTT was incorporated on March 26, 2003 and is engaged to construct a residential condominium project in its principal place of business in Iloilo City. On June 16, 2020, CLI acquired 50% ownership in GGTT to obtain a controlling interest in the company, however, the transaction was accounted for by the Group as an asset acquisition as discussed in Note 7 in the Audited Financial Statements. During the first quarter of 2021, GGTT started commercial operations, and is now considered as a subsidiary of CLI.
- (18) SPE was formed in 2019 as a one-person corporation and was converted into an ordinary stock corporation ("**OSC**") after entering into a JV with CLI on March 4, 2021, for the development of a dormitory with retail and warehouse spaces. The principal place of business of SPE is in Cebu City.
- (19) CLI NUD was incorporated on April 5, 2024 as an undertaking among CLI and NTTUDA for the development of a condominium project in Cebu City and primarily engaged in purchasing, selling, leasing, mortgaging, pledging, and disposing of all types of real properties. The principal place of business is located in Cebu City.
- (20) CLI MAC was incorporated in February 2025 as an undertaking between CLI and Martinez Agricultural Corporation for the development of mixed-used condominiums in Cebu City. CLI exercises control over CLI MAC through its authority to direct operational activities and govern strategic and financial policies. The principal place of business is located in Cebu City. As of December 31, 2025, CLI MAC has yet to commence commercial operations.
- (21) CLI Luzon was incorporated in March 2025 as an undertaking between CLI and NTTUD for the development of mixed-used condominium in Pasig City. CLI exercises control over CLI Luzon through its authority to direct operational activities and govern strategic and financial policies. The principal place of business is located in Cebu City. As of December 31, 2025, CLI Luzon has yet to commence commercial operations.
- (22) CLI Water was incorporated in February 2024 as a wholly owned subsidiary of CLI to supply water to CLI's various projects. The principal place of business is located in Cebu City. As of December 31, 2025, CLI Water has yet to commence commercial operations.
- (23) Magspeak was incorporated on October 21, 2011, to acquire, lease and develop lands into nature and eco-tourism parks in Balamban Cebu, and to manage, and operate the same. CLI holds a 25% stake in Magspeak.
- (24) ICOM was incorporated in December 2020 as an undertaking of CLI and various individual stockholders to import aircraft(s) and operate a transportation business in the Philippines. ICOM's principal place of business is located in Iloilo City.
- (25) IGCC was incorporated in 2023 as an undertaking between CLI and two other corporations and is engaged in the development of a mixed-use condominium tower in Iloilo City. Its principal place of business is also located in Iloilo City.

CLI also has an 18% stake in Tagbilaran Waterfront Development Corporation, which was incorporated on July 4, 2019 as a joint undertaking for the development of a reclamation project in Bohol.

Real Estate Landscape in Visayas and Mindanao

Based on Colliers Philippines' 2025 Real Estate Market Study, it was reported that CLI remained as *"The Leading Residential Developer in VisMin"*, with the largest market share based on net sales take up among real estate firms that provide condominiums and house and lot projects in the region. The 2025 study shows that CLI leads the residential market with a 17.7% share of the overall residential market of the region.

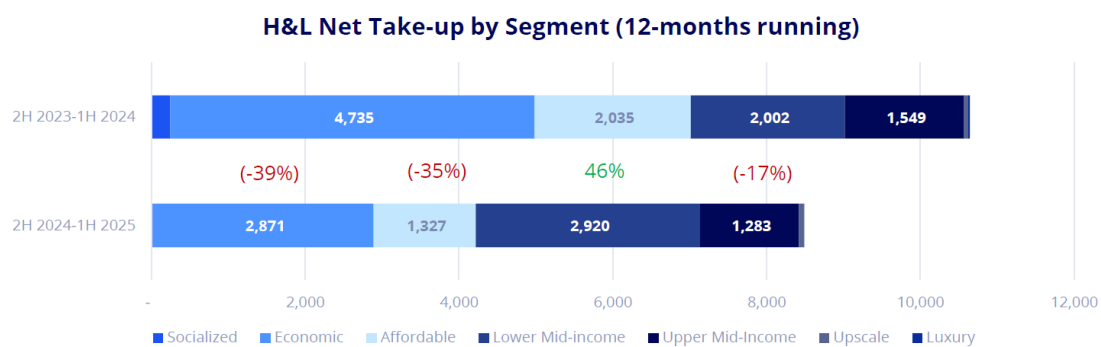
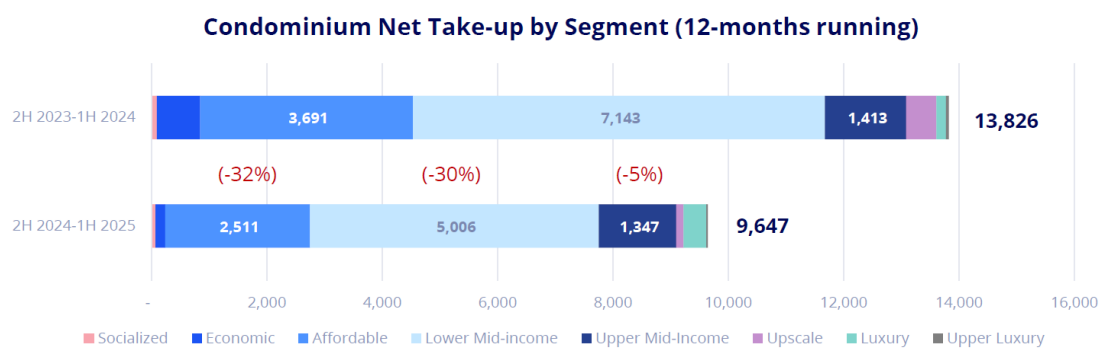
Figure 1. *VisMin Residential Market Share*

Developer	Net Take-up (Units)		% Share		Net Take-up Value		Previous Rank
	2023-2024	2024-2025	2023-2024	2024-2025	2023-2024	2024-2025	
Cebu Landmasters	4,275	3,199	17.8%	17.7%	21.61 B	17.37 B	1
Vista Land	1,249	937	5.2%	5.2%	7.30 B	14.22 B	2
Filinvest	729	680	3.0%	3.8%	3.19 B	3.57 B	5
Primary Homes	854	651	3.6%	3.6%	2.00 B	1.90 B	3
DMCI	23	564	0.1%	3.1%	0.10 B	3.56 B	37
Alsons Properties	57	556	0.2%	3.1%	0.30 B	2.24 B	31
Davao Joyful Homes	421	360	1.8%	2.0%	1.18 B	0.91 B	8
Ayala Land	367	355	1.5%	2.0%	1.19 B	2.01 B	10
Phirst Park Homes	223	342	0.9%	1.9%	0.54 B	0.62 B	16
A Brown Company	266	311	1.1%	1.7%	0.93 B	0.65 B	15

Source: Colliers Philippines

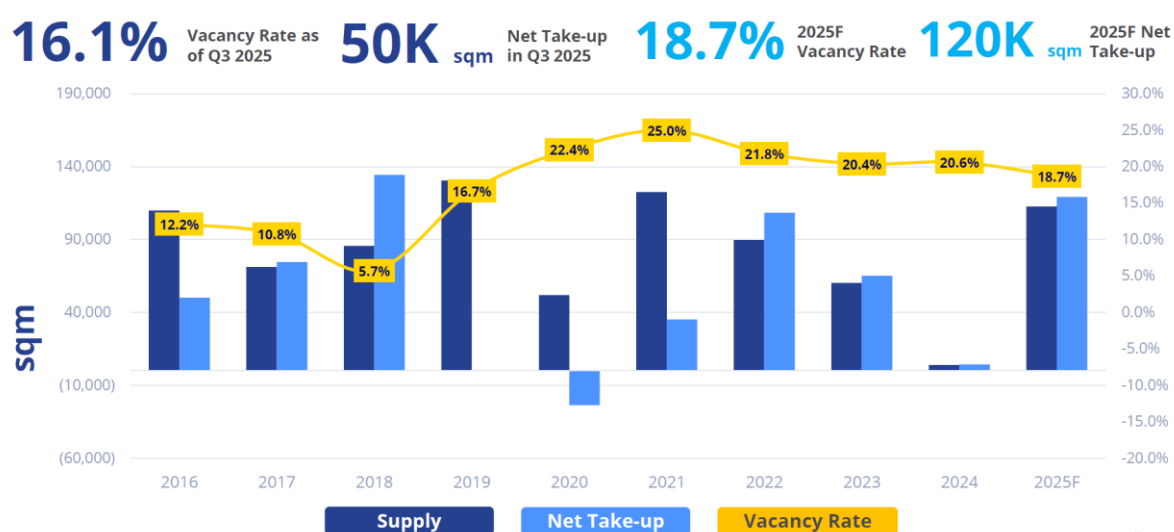
Figure 3. *Supply of Condominiums and Supply of House and Lots*

Overall residential net take-up for both condominium and house and lot is largely for the lower mid-income market, with bulk of take up from Cebu.



Source: Colliers Philippines

Figure 4. Cebu Office Supply, Demand and Vacancy



A total of 16,311 operating rooms were identified across Metro Cebu's tri-city market as of 3Q 2025, with supply concentrated in Cebu City, Lapu-Lapu City, and Mandaue City. Cebu City accounts for the largest share at 7,425 rooms (46%), followed by Lapu-Lapu City with 6,652 rooms (41%), and Mandaue City with 2,234 rooms (14%).

Across the market, the supply mix remains largely mid-market oriented. Cebu City, in particular, is 3-star heavy, with around 50% of its room inventory in this segment, while 4-star and 5-star hotels account for 36% and 15%, respectively.

This contrasts with Lapu-Lapu City, where supply is skewed toward higher-end resort offerings, with 4-star and 5-star hotels comprising the majority of room stock, reflecting its tourism-driven positioning. Meanwhile, Mandaue City presents a more balanced mix, split between 3-star and 4-star hotels, catering primarily to business and transient demand.

Overall, the Metro Cebu hospitality market reflects a dual structure—with Cebu City anchored on mid-market, business-oriented accommodations, and Lapu-Lapu City driven by higher-end leisure and resort demand—while Mandaue City serves as a complementary business hub within the tri-city network.

Figure 5. Hospitality Overall Stock and Breakdown in Metro Cebu

Location / Star Rating	Number of Operating Rooms	% Share in the market	Location / Star Rating	Number of Operating Rooms	% Guest Rooms	% Suite Rooms
Cebu City	7,425	46%	Cebu City	7,425	91%	9%
5-Star	1,106	15%	5-Star	1,106	91%	9%
4-Star	2,638	36%	4-Star	2,638	91%	9%
3-Star	3,681	50%	3-Star	1,260	76%	24%
Lapu-Lapu	6,652	41%	Lapu-Lapu	6,652	82%	18%
5-Star	1,530	23%	5-Star	1,530	90%	10%
4-Star	3,862	58%	4-Star	3,862	81%	19%
3-Star	1,260	19%	3-Star	1,150	91%	9%
Mandaue City	2,234	14%	Mandaue City	2,234	87%	13%
4-Star	1,084	49%	4-Star	1,084	94%	6%
3-Star	1,150	51%	3-Star	1,150	91%	9%
Grand Total	16,311		Grand Total	16,311	88%	12%

Source: Colliers Philippines

Competitors

CLI is within the field of top industry players and local developers across its product range. The Company goes head-to-head with national players such as Vista Land, Megaworld Corporation, SM Development Corporation, Ayala Land Inc., Aboitiz Land Inc., and DMCI Holdings Inc.

The Company also competes with established local developers in Cebu, and other parts of VisMin, like Profriends Inc., Primary Homes Inc., Wee Community Developers Inc., Johndorf Ventures Corporation, and Grand Land Inc.

The Company's direct competitors in the different markets tend to be the local developers entrenched in those cities. But the Company's advantage is the breadth and quality of its offerings while delivering them at the same competitive price points in their respective markets.

CLI uses its fundamental competencies – hands-on personalized service, local (*i.e.*, VisMin) real estate experience, strategic location selection, and responsible development – as well as its aggression, business productivity, and best value projects – to leverage itself against competitors.

Suppliers and Contractors

Through a due diligence/pre-qualification, and bidding procedure, CLI obtains construction materials and services from third-party suppliers and contractors both locally and nationally that fulfill the Company's stringent quality requirements. The Company does not foresee a shortage in raw materials or services for its operations as it establishes strong partnership with various stable and resilient suppliers and contractors.

The Company evaluates suppliers who can deliver the best value at the highest quality and at the lowest cost through its Supply Chain Management Team and the Engineering-Contracts Administration Team. CLI also selects suppliers and contractors that can provide safe and on-time delivery, as well as the ability to adapt and innovate in order to suit the Company's needs. Simultaneously, the Company has the appropriate internal controls, organizational structure, and financial sustainability to ensure the suppliers and contractors' continued delivery as contracted.

On a project-by-project basis, the Company engages contractors to do land development and project construction. While CLI used to outsource architectural and engineering services for all its projects, the Company began undertaking engineering and architectural design to be developed internally allowing the Company to save on costs.

The following are the Company's top contractors and suppliers:

Supplier	Product / Service
Steelasia Manufacturing Corporation	Manufacturer of Deformed Bars
Vic Enterprises	Supplier of Cement & Hardware Materials
Phelps Dodge Philippines Energy Products Corp	Supplier of Electrical Wires and Cables
Holcim Philippines, Inc.	Supply of Cement
Worldwide Interiors Design Center	Supplier of Finishing Materials
Europhil Advanced Material & New Technology Inc	Supplier of AAC Block & Panels
UHM-NTU Marketing Corporation	Supplier of Hardware Materials
Cebu Oversea Hardware Co., Inc	Supplier of Finishing Materials
Washington Electrical & Ind'l. Supply, Inc.	Supplier of Electrical Wires and Accessories
P.T. Bohol Construction Trading & Realty Development Corporation	Supplier of Ready Mix Concrete
Young Builders Corporation	General Construction Works
PLD Construction and Development Inc.	General Construction Works
J. E. Abraham C. Lee Construction And Development (ALCI) Inc.	General Construction Works
Cigin Construction & Development Corporation	Land Development Works
Dakay Construction & Development Corp.	General Construction Works
Carwill Construction Incorporated	General Construction Works
Castcrete Builders Inc	General Construction Works
Riezl Landcare and Construction Inc.	General Construction Works
Kintar Power Group Corp	Electrical Works
KPI Elevators, Inc.	Conveying Systems

As mentioned above, CLI engages third-party suppliers and contractors through a due diligence/pre-qualification, and bidding procedure thus, CLI is not and does not anticipate to be dependent upon one or limited number of suppliers and contractors.

Construction Contracts

For each horizontal and vertical development, the Company engages various general and specialty contractors with both local and national experience. Majority of the Company's construction contracts pertain to general construction works and house construction. For this purpose, the Company executes standard construction contracts which contains provisions governing the relationship, rights, and obligations of the parties, including the contractor's scope of work, bonds and insurances, completion time, and responsibility of the contractor for any damage or destruction of works until final acceptance.

With over 200 engineers in its roster, the Company handles the project and construction management aspect of every project and manages the various contractors and subcontractors that are utilized. As the project manager, the Company controls the delivery of its projects with priority on promptness, quality, and professionalism. The Company does not have any in-house construction or any affiliated general contracting business.

Customers

CLI caters to several real estate categories – residential, retail, offices, and hotels. Among the four categories, the Company's experience in the industry has been primarily focused on residential development which comprises 78.03% of the total number of projects.

Of the Company's residential real estate developments, 37% of CLI's horizontal and vertical projects serve the needs of the mid-market. Fast-selling projects like Midori Residences, Midori Plains, Velmiro Heights, Mivesa Residences, MesaVerte Garden Residences, Velmiro Uptown CDO, and Mivela Garden Residences show the growing demand for new, well-built, well-planned, and strategically located homes for the mid-market segment. CLI's mid-market clients are those who can afford a monthly equity payment of ₱8,000.00 to ₱15,000.00 and an annual income of ₱400,000.00 to ₱800,000.00.

The Company also caters to the upper-mid market segment who can afford a monthly equity of ₱15,000.00 to ₱20,000.00 and earning ₱1.00 million to ₱3.00 million annually. These market segments prefer units at a price range of ₱5.00 million and above.

Casa Mira and Garden Series, CLI's best-selling brands, comprise 31% and 44% of the Company's reservation sales for 2025. High-end residential developments are at 21%, driven by the ongoing sales from Costa Mira Beachtown Mactan and Panglao and newly launched The Wave Towers.

Employment Profile	%	Citizenship	%	Marital Status	%
Locally employed	61%	Filipino	97%	Married	53%
OFW	30%	Foreigner	3%	Single	44%
Self-Employed	2%			Widowed	1.5%
Business Owner	7%			Legally Separated	1.5%

For its leasing business, the Company's tenant mix is composed primarily of BPO companies, supermarkets, service providers, and food and beverage establishments. Supermarkets and essential service providers act as anchor tenants, helping drive customer activity within retail developments. Meanwhile, food and beverage establishments enhance the overall tenant mix by increasing dwell time and improving the attractiveness of CLI's commercial properties. This diversified tenant base supports steady rental income and reinforces the sustainability of the Company's recurring revenue streams.

CLI is committed to continuously addressing the growing needs and demand of the market in each segment the Company caters to. CLI aims to constantly innovate, and remain consistent with the quality of the developments, the selection of location and the hands-on service that goes along with it.

The Company has over 28,000 different live sales contracts and no single contract accounts for 20% or more of CLI's sales. These are all different and distinct individual buyers.

CLI has a wide customer base and thus, is not dependent on a single or a few customers. Consequently, the Company is of the view that the loss of one or a few customers (e.g., cancellations of purchase, lease contracts) will not have a material adverse effect on the Company and its Subsidiaries.

CLI uses standard Contracts to Sell for the sale of its units, whether house and lot, condominiums, condotels, or offices. It contains all the necessary terms and provisions until such time that a deed of absolute sale can be executed by both parties. A deed of absolute sale is executed upon the complete submission of necessary documents, full payment of the purchase, the proper subdivision of the mother titles and other such necessary administrative procedures to ensure the eventual transfer of the individual title to the respective buyers. No one sales contract contributes to more than 1% of the Company's overall revenues.

Leases for retail spaces within CLI's mixed-use developments, as well as office spaces within its office developments are generally short-term ranging from one to three years, with renewability clauses. Leases are fixed rates with predetermined escalation clauses. No one leasing contract or tenant group contributes to more than 1% of the Company's overall revenues.

Related Party Transactions (RPTs)

RPTs are transfers of resources, services, or obligations between CLI and its Subsidiaries (the "**Group**") and its related parties, regardless of whether a price is charged.

Below are RPT transactions of the Company as of December 31, 2025:

Name of Related Party	Nature of Relationship	Net Receivable (Payable) Balance as of 31 December 2025	Other relevant terms (e.g., nature of RPT; repayment terms)
BL Ventures	Subsidiary; JV	95,158,822.57	The net balance primarily pertains to CLI's shareholder advances which serve as temporary working capital in support of the JV entity. As agreed between the parties, the repayment terms are contingent on the liquidation of the JV entities' receivables, increase in takeouts, and positive cash flow.
El Camino	Subsidiary; JV	7,996,306.43	The balance pertains to management fees for administrative and operational services.
YES	Subsidiary; JV	4,724,441.58	
CBLRV	Subsidiary; JV	14,572,562.74	This pertains to management fees for administrative and operational services.

CHDI	Subsidiary; JV	530,541.27	These pertain CLI's shareholder advances which are essentially capital contributions in nature to support the needs and requirements of the JV entity.
GGTT	Subsidiary; JV	27,068,377.57	These primarily pertain to CLI's shareholder advances which are essentially capital contributions in nature to support the needs and requirements of the JV entity.
MGRI	Subsidiary; JV	(2,219,169.48)	This pertains to management fees for administrative and operational services.
CCLI	Subsidiary; JV	164,682,901.32	These primarily pertain to CLI's shareholder advances which are essentially capital contributions in nature to support the needs and requirements of the JV entity.
YHES	Subsidiary; JV	7,401,528.42	This pertains to management fees for administrative and operational services.
YHEST	Subsidiary; JV	6,564,725.83	This pertains to management fees for administrative and operational services.
SPE	Subsidiary; JV	41,179,527.87	These primarily pertain to CLI's shareholder advances which are essentially capital contributions in nature to support the needs and requirements of the JV entity.
CLITE	Subsidiary; JV	1,879,630.07	This pertains to management fees for administrative and operational services.
CLI MAC	Subsidiary; JV	50,600	This pertains to management fees for administrative and operational services.
Total		₱ 369,590,896.19	

The Group's transactions with related parties also encompass advances, management fees, real estate sales to the ultimate parent company, contracted services, and sales of real estate to key management personnel.

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Pursuant to CLI's RPT Policy, related parties include: (a) a person or close member of that

person's family who has control or joint control of the Company; or is a key management personnel of the Company, its parent, subsidiaries or affiliates; (b) a substantial shareholder, who is any person who is directly or indirectly the beneficial owner of more than 10% of any class of its equity security; (c) an entity is a related party if it and the Company are members of the same group (which means that each parent, subsidiary, and fellow subsidiary is related to the others); the entity is an associate or JV of CLI or vice-versa, or an associate or JV of a member of a group of which the other entity is a member; the entity is a postemployment benefit plan; the entity has a management contract or any arrangement granting power to the Company to direct or cause the direction of management and policies of the entity, or vice-versa.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form. The Office of the CFO, in collaboration with the Compliance Officer, regularly identifies, reviews, and evaluates the Company's related parties and related party transactions (RPTs), which are then submitted to the Board RPT Committee for either information or approval, depending on whether the RPT exceeds the Company's threshold or constitutes a Material RPT.

Pursuant to its RPT Policy, CLI sets an RPT threshold of ₱50.00 million (**"Covered Transaction"**).

RPTs involving an amount of at least ₱50.00 million, or its equivalent, are submitted to the RPT Committee for review and pre-approval. Upon approval, these are then referred to the CLI Board for subsequent approval and/or ratification.

All RPTs exceeding the ₱50.00 million threshold have been approved by the RPT Committee and the CLI Board, as evidenced by the corresponding minutes of meetings and committee/board resolutions. For the period ended December 31, 2025, such approvals included shareholder advances to related party joint venture entities, real estate purchases from related party joint venture entities, and procurement of contracted services from other related parties.

Further thereto, CLI also observes the 10% Material RPT threshold as prescribed by the SEC. Material RPT pertains to any RPT, either individually or in aggregate over a 12-month period with the same related party, amounting to 10% or higher of CLI's total assets based on its latest AFS. All individual material RPTs and aggregate material RPTs shall be approved by at least two-thirds vote of the Board of Directors, with at least a majority of the independent directors voting to approve the material RPT. In case a majority of the independent directors' vote to approve the material RPT is not secured, it may be ratified by the vote of the stockholders representing at least two-thirds of the outstanding capital stock. Before the execution of a material RPT, the Board may appoint an external independent party to evaluate the fairness of the terms thereof and evaluate if the transaction is done on normal market terms. Within three calendar days from the execution of any material RPT, CLI, through the Corporate Secretary, shall submit an Advisement Report to the SEC. There were no RPTs that breached the 10% Material RPT threshold of the SEC for CY2024.

Other RPTs not exceeding the ₱50.00 million threshold or the 10% materiality threshold are reported to the Board RPT Committee on a quarterly basis through RPT reports prepared by the CFO and Compliance Officer, for information purposes only. Such transactions do not require approval from the RPT Committee or the CLI Board.

Please refer to the discussion on "*Certain Relationships and Related Transactions*" under the section on "*Management and Certain Security Holders*".

Government approvals/regulations

The Company and its Subsidiaries secure various government approvals, permits, and licenses required and necessary for their business operations, including their respective projects, as part of their ordinary course of business. CLI does not foresee any material adverse effect of existing and future government regulations on the business of CLI and its Subsidiaries.

As of the date of this report, CLI and its Subsidiaries have obtained the required and necessary material governmental approvals, permits, and licenses issued by the relevant government bodies or agencies. For those required for specific ongoing projects, CLI or the relevant Subsidiaries has either secured such governmental approvals, permits and licenses or is currently processing said permits and are pending issuance by the relevant government agency.

The effects of existing and probable governmental regulations on the business are further discussed in the section “*Regulatory Framework.*”

Project Development

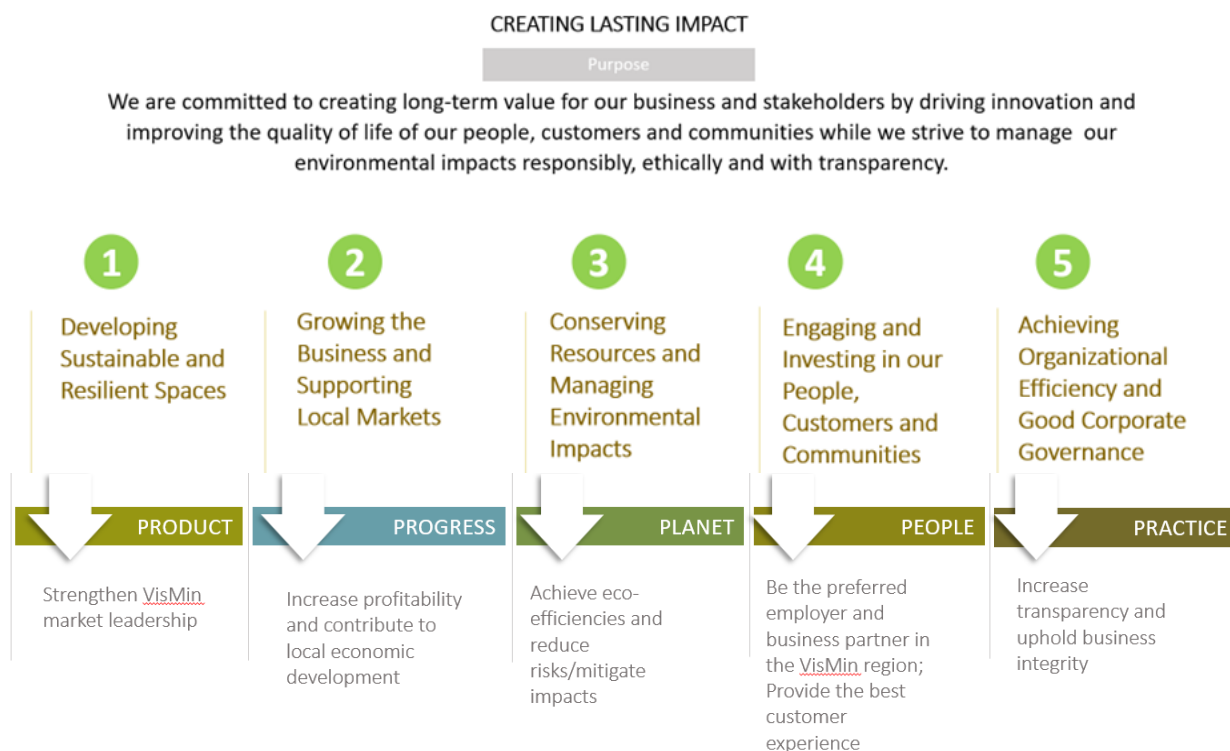
The table below refers to the amount spent on project development activities, and its percentage to revenues during each of the last three fiscal years.

In millions	2025	2024	2023	2022	2021
Revenue	₱18,517	₱18,647	₱18,818	₱15,657	₱11,162
Capital Expenditures on Project Development	8,141	10,157	10,536	7,625	7,792
Ratio	43.97%	54.47%	55.99%	48.70%	69.81%

Capital Expenditures refers to actual cash disbursements made by the Company on its developments.

ESG Reporting Process and Governance

CLI'S 5-PILLAR SUSTAINABILITY STRATEGY



Being a publicly listed company, CLI has complied with the requirements of the SEC on the aspect of Sustainability and Environmental, Social and Governance (“**ESG**”) reporting. CLI published its first Integrated Report covering 2021 performance. Having been able to systematically account its positive and negative impacts, the Company’s financial, natural, social, intellectual, manufactured, and human capitals and other non-financial metrics have driven the Company to identify aspects that are most material to the business and to its stakeholders, thereby having the mindset of going beyond compliance --- through process improvements that allow the Company to reduce its negative impacts and increase its economic contribution in the local communities where it conducts business.

Enhancing Brand Value and Market Leadership

Cebu Landmasters, Inc. (CLI) has been reaffirmed as the leading residential developer in VisMin, after being named the top developer in Colliers Philippines’ 2025 Real Estate Market Study, with an 18% share in residential sales take-up. Backed by strong partnerships with LGUs, the broker community, and JV partners, CLI continues to strengthen its position as a trusted brand and the leading residential developer in the VisMin region.

This market leadership is reinforced by strong industry recognition in 2025. The company is a multi-awarded developer, most recently named the 2025 PMAP Distinguished Exemplar – Employer of the Year, the sole awardee from the Visayas and the only real estate developer among this year’s exemplars—underscoring its people-first culture.

CLI was also recognized as Best Housing Developer in the Philippines and Best Developer in Visayas and Mindanao at the 2025 PropertyGuru Philippines Property Awards. Its track record extends to excellence in sustainability, corporate governance, and communications, earning honors from the Stevie Awards, Asia Corporate Excellence & Sustainability Awards (ACES), Philippine Quill Awards, and a 2-Golden Arrow Award from the Institute of Corporate Directors (ICD).

Health, Safety, and Environmental Matters

For Cebu Landmasters, Inc., Health, Environment, and Safety (HES) remains a fundamental pillar of its operational strategy and corporate governance. The Company is committed to ensuring the safety and well-being of its employees, contractors, and stakeholders across all project sites by implementing robust risk management systems, continuous safety training, and strict adherence to regulatory standards. Through proactive hazard identification and control measures, Cebu Landmasters minimizes incidents that could result in injury, property damage, or operational disruption, thereby safeguarding both its workforce and its investments.

Ultimately, Cebu Landmasters recognizes that a strong HES culture enhances its reputation as a reliable and responsible developer, reinforcing stakeholder trust and supporting long-term business sustainability. By embedding HES principles into all aspects of its operations, the Company not only protects lives and the environment but also drives consistent value creation for its shareholders and the communities it serves.

Effect of Compliance

Cebu Landmasters, Inc. maintains a comprehensive framework for Health, Environment, and Safety (HES) compliance, integrated with its broader sustainability initiatives, to promote operational excellence, regulatory compliance, and long-term stakeholder value. The Company implements standardized occupational health and safety protocols across all stages of its operations—from project planning and construction to turnover—including safety training, drills, and personal protective equipment usage.

To ensure coordinated oversight and continuous improvement in safety practices, CLI established a **Safety and Security Team** composed of HES Officers and Managers from Engineering,

Property Management, and Corporate. This cross-functional team is responsible for monitoring workplace safety, implementing preventive measures, conducting regular inspections, and ensuring adherence to HES policies across all projects and operations.

Environmental sustainability is also a key focus area for the Company. Cebu Landmasters pursues initiatives to mitigate operational environmental impacts in accordance with regulatory requirements, including proper waste management, energy efficiency, emissions monitoring, water conservation, coastal clean ups, and reforestation programs. These efforts support the Company's commitment to sustainable development, climate resilience, and environmental stewardship, while also enhancing community welfare.

Cebu Landmasters recognizes that noncompliance with HES regulations or sustainability obligations may result in significant operational, legal, financial, and reputational risks. Potential consequences include workplace accidents, occupational illnesses, regulatory fines, project delays, environmental damage, and adverse impacts on communities. Noncompliance may also reduce investor confidence, hinder access to sustainability-linked financing, and affect stakeholder trust.

To mitigate these risks, HES and sustainability practices are embedded within the Company's governance and risk management framework. Policies and procedures are regularly reviewed to ensure alignment with labor, safety, environmental, and corporate governance regulations. The Company maintains continued compliance through the submission of regular reports to regulatory agencies, including the Department of Labor and Employment (DOLE) and the Environmental Management Bureau (EMB), to monitor workplace safety and environmental performance. By maintaining strict adherence to HES and ESG standards and engaging in ongoing regulatory reporting, Cebu Landmasters safeguards its workforce, protects the environment, promotes community welfare, and enhances long-term value creation for its stakeholders.

Specific to construction health and safety, the team introduced process improvements particularly on HES compliance scorecards based on project locations. In 2025, the safety team conducted a total of 48 HES-related training sessions which includes the following: DOLE compliance requirements training, visitors' safety orientation, construction hazard awareness on falling objects, flagman safety and project emergency response roll out, among other initiatives. The team also conducted fire, earthquake and medical emergency drills across all construction projects. CLI's construction achieved a TDIR of 0.05 vs. target of zero and reached a total of 19,716,129 safe manhours at yearend.

CLI Workforce, Customers, and Communities

On the aspect of talent acquisition, being purpose-driven and compliant to regulatory and statutory requirements, especially on labor laws, has definitely given CLI a competitive advantage. By defining the Company's priority areas through a materiality process, CLI is provided guidance and as a result the Company is able to attract and retain top caliber talents. Employee engagement activities use themes that relate to sustainability, safe, and healthy workplace practices, and cultivating a culture of innovation among departments and cross-functional teams. All these programs help attract, continue to develop, and retain talents within the organization.

Employees

The Group has a total of 1,271 employees, broken down in entities and department as follows as of December 31, 2025:

Department/Company	Employees
Parent Company	
Engineering	202
Sales	84
Accounting & Tax	80
Treasury	89
Business Development	29
Technical Planning	27
Permits & Licenses	19
Registration & Documentation	72
Safety & Security	1
Property Management	57
Accounts Management	74
Customer Relations - Turnovers	31
Customer Relations - Services	22
Human Resources & Admin	32
Marketing	21
Supply Chain Management	40
Corporate Finance	12
Digital Innovation IT	30
Legal	12
Internal Audit	6
Commercial Leasing	16
ERM	1
CLI Hotels & Resorts	6
Top Management	8
Total	993
Subsidiaries	
CLPM	202
CPH	40
SPEI	35
CLI Foundation and Sustainability	1
Total	278
GRAND TOTAL	1,271

The Company maintains a competent and dynamic team of professional executives and managers engaged in the management of the business. Efforts to professionalize the Company over the last 20 years are evident as the Company has grown from two employees to a dynamic team of executives, managers, officers, and staff instilled with the Company's brand of professional work ethics and strong corporate values.

In 2025, CLI was recognized as a Distinguished PMAP Exemplar under the Employer of the Year category. Notably, it was the only awardee from the Visayas region and the sole representative from the real estate industry among that year's national exemplars. This recognition reflects a strong organizational culture grounded in purpose, excellence, and a people-first mindset, and stands as a testament to the collective contributions of its employees who continue to build with passion and lead with integrity.

The Company has 1,271 number of full-time employees as of end 2025, across all business segments and administrative functions. The Company anticipates that it will have around 1,000 full time employees within the next 12 months.

CLI employees are not subject to collective bargaining agreements. Its employees have not been on strike in the past three years, nor are they threatening to strike.

CLI has a Savings Program Prior to Normal Retirement (“SPP”) which is incorporated in its Amended Retirement Plan. The SPP serves as the retirement plan for all CLI regular employees who resign prior to the optional retirement age of 60 years old or the mandatory retirement age of 65 years old. The equivalent of 5% of the employee's basic salary is set aside by CLI every month while the employee remains in the employ of CLI.

Upon resignation, the employee will be entitled to his or final balance as follows:

Vested Benefit %	Number of Continuous Service (from January 01, 2015)
0%	Less than 5 years
50%	5 years
60%	6 years
70%	7 years
80%	8 years
90%	9 years
100%	10 years and above

Given the above, a qualified CLI employee will be entitled to and avail either the 1) Normal Retirement benefits as mandated by law or 2) the Vested Benefits under the SPP, whichever is higher.

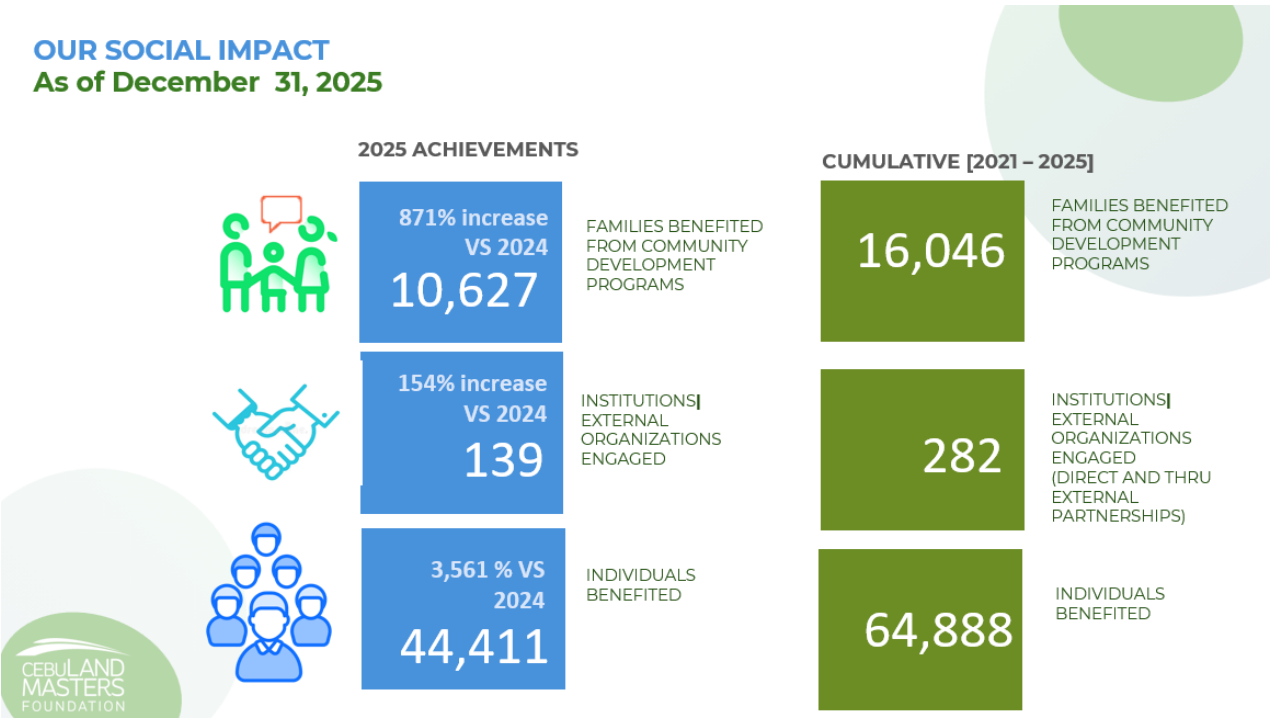
Corporate Social Responsibility / Community Engagement

While CLI grows its business, it has built and strengthened its relationships by partnering with local communities and complying with requirements of LGUs and national government agencies. This serves as the Company's social and relationship capital that gives it social license to do business in the local area.

In 2025, CLI expanded its corporate social responsibility (CSR) initiatives and community engagement to include people's organizations particularly farmers and fishermen's associations and beneficiary organizations of socialized housing developments. CLI through its Foundation has made enhancements in its program development process to address critical needs. It continues to plan for solutions that provide security, support education, and uphold the dignity of families in need. CLI's efforts benefited a total of 10,627 families, 44,411 individuals and 139 institutions through direct implementation and through external partnerships across all programs. These beneficiaries include families living in CLI-built socialized housing units, university scholars, farmers and fishers and most importantly those affected by the recent natural disasters in Cebu. Partner and beneficiary institutions include people's organizations, local government units, national government agencies, schools and civil society organizations.

Throughout the year, CLI's community development programs provided holistic support to our partner communities across four key pillars. Our shelter initiatives focused on socialized housing

and supporting LGU property management teams, while environmental programs scaled up tree growing and seedling production to build climate resilience. We broadened our education pillar with specialized green skills training alongside university scholarships and empowered farmers and fishers through sustainable livelihood projects. In addition, our special advocacies built relationships and established new partnerships and delivered critical relief operations following the North Cebu Earthquake and Typhoon Tino, providing a vital safety net for affected families through various response efforts that benefited a significant number of households.



Pillar I: Shelter and Integrated Community Development

CLI's socialized housing development framework has inspired other organizations in the following aspects:

A Proving viability of in-city relocation. While most socialized housing projects are built in far-flung areas, CLI's socialized housing projects prove that by keeping families near the city center, their livelihoods and social networks are safeguarded. This encourages local governments to prioritize land-use policies that address the needs of vulnerable communities.

B. Synergy/collaboration - CLI's socialized housing model exemplifies the strength of public-private partnerships. It demonstrates how strategic alignment between the public and private sectors creates a multiplier effect. By aligning local government land and social vetting with national housing frameworks and private sector expertise, the outcome is far beyond what any single entity could achieve independently. This model becomes a more scalable solution for urban housing that more people can benefit from.

C. Setting standards / benchmarks - Tipolo Residences, being a 3-star BERDE-certified development, proves that housing projects of this category can and should meet high standards of eco-efficiency and climate resilience, challenging other developers to elevate the quality of socialized housing projects.

Seeing the beneficiaries transition to a better living set up, it encourages developers, local government units, national government agencies, policy makers and other stakeholders to go beyond physical shelter and see housing as a foundation for economic mobility among vulnerable communities.

Pillar II: Environment/ Resource Use, Managing Impacts and Enhancing Biodiversity

With the significant increase in oil price brought about by the Russia-Ukraine war and the recent middle east war and with continuing water supply issues in the local areas, there is a need to reduce the Company's resource consumption, including the need to be less energy-dependent. The necessity of introducing energy and water saving initiatives was further driven by the Company's data management tools that will allow it to target reduction of energy and water use in its real estate project developments. In addition, compliance with environmental laws and standards has propelled the Company to introduce product design innovations or the application of green building features in its projects that will help reduce consumption. In addition, compliance to post-conditions of its ECCs have driven the Company to assess, protect, and enhance its ecosystems within or adjacent to its developments and even focus on climate change-related financial impacts as the Company develops more projects in the future.

Pillar III: Education

CLI's strategy on its education program focuses on creating a "human capital" pipeline through scholarships and technical-vocational training. It aligns education with the industry's needs. By training community members in construction or property management, we are educating them for the very jobs that the company is creating. As of end of 2025, CLI supported 22 scholars, 2 of them have graduated and have now joined the workforce.

Pillar IV: Livelihood / Enterprise Development

CLI continued to conduct capacity building activities and provided livelihood opportunities through its program called Livelihood Assistance for Multi-sectoral Beneficiary organizations (LAMBO). In 2025, CLI expanded its reach to include 40 people's organizations particularly farmers from the north and south of Cebu who have been provided space for farm-to-market set ups that benefited not just the farmers but also unit occupants of CLI-managed properties where the satellite farmers' market stalls are located.

Details can be found in the annex (Sustainability Report)

Contribution to United Nations' Sustainable Development Goals ("UN SDG")

Focus on UN SDG contributions ensures that CLI's products, programs, and initiatives contribute to the alignment and achievement of global sustainability goals. This means that the Company's products, programs, and initiatives address local issues and contribute to the local economic development of the area where the Company does business, without losing sight of the overall global issues that face the world today.



UN SDG CONTRIBUTIONS



25 UNIVERSITY SCHOLARS AND 20 TECHNICAL-VOCATIONAL TRAINEES SUPPORTED



190 FAMILIES PROVIDED ACCESS TO AFFORDABLE HOUSING

2 LGU PARTNERS ASSISTED IN BUILDING MANAGEMENT AND MAINTENANCE AND BENEFICIARY WELFARE MANAGEMENT



7,001 FAMILIES BENEFITED FROM COMMUNITY PROGRAMS AND 277 HOURS OF COMMUNITY CAPACITY BUILDING as of end of 2025



PROGRAMS IMPLEMENTED BENEFIT FARMERS AND FISHERFOLK, WOMEN'S ORGANIZATION, INFORMAL SETTLER FAMILIES: CAPACITY BUILDING/SKILLS TRAINING AND LIVELIHOOD



409 FARMERS BENEFITED FROM FARM-TO-MARKET AND TREE GROWING PROGRAMS



427.946 TREES / MANGROVES PLANTED



422.08 HECTARES OF PLANTING SITES



34 NATIVE TREE SPECIES



PARTNERS IN THE NATIONAL AND LOCAL GOVERNMENT / CIVIL SOCIETY / SOCIO CIVIC ORGANIZATIONS

15 PEOPLE'S ORGANIZATIONS
223 INSTITUTIONS ENGAGED
8 CITIES/MUNICIPALITIES
20 BARANGAYS



ITEM 2. DESCRIPTION OF PROPERTIES

Land Inventory

Using its location selection criteria, the Company and its Subsidiaries have invested in properties located in strategic areas in VisMin which they believe to have high future appreciation potential for its existing and future development projects. The table below enumerates the parcels of land owned by the below entities.

Location	Primary use	Ownership	With Security Interest?	Total Area (in sq.m)
Minglanilla Cebu	Residential	CLI	No	18,369
Naga San Fernando, Cebu	Residential	CLI	No	16,718
Matina Davao City	Residential	YHEST	No	179,132
Riverside Davao City	Residential	YHES	No	20,247
Mactan Cebu	Residential	CLI	Yes	9,759
Puerto Princesa, Palawan	Residential	CLI	No	6,478
Juana Osmeña St, Cebu City	Residential	CLI	No	913
AS Fortuna	Residential	CLI	No	387
Tabok, Mandaue City	Residential	CHDI	No	24,623
Panglao, Bohol	Residential	CLI-LITE	No	27,166
Manresa, CDO	Residential	CLI	No	107,566
Bogo, Cebu	Residential	CLI	No	23,128
Danao, Cebu	Residential	CLI	No	7,730
Consolacion, Cebu	Residential	CLI	No	53,023.00
Talamban, Cebu	Residential	CHDI	No	38,733
Butuan City	Residential	CLI	No	65,497
Banilad, Cebu	Residential	CLI	No	1,375.00
Macabug, Ormoc	Residential	CLI	No	226,857
Sumobodilla Lot (CLI LITE)	Residential	CLI-LITE	No	13,705
Ohmori Lot, Danao	Residential	CLI	No	60,792
Pasig Property (CLI NUD)	Residential	CLI NUD	No	34,161
DANAO (DURANO PROPERTY)	Residential	CLI	No	40,000
Insular Building	Office	YHEST	No	1,625
LILOAN - Aboitiz Property (CHDI)	Residential	CHDI	No	788,415
COSTA MIRA EXP	Residential	CLI	No	6,000
CDO (GRAVELDEN)	Residential	CLI	No	100,487
Martinez	Residential	CLI MAC	No	2,135.00
TOTAL				1,875,021

Other Assets

As of December 31, 2025, the Company's other properties consist of Property and Equipment and Investment Property amounting to ₱12.97 billion and ₱21.03 billion, respectively.

For the carrying amounts and movements of the Company's Other Assets, please refer to Notes 11 and 13 in the Unaudited Interim Consolidated Financial Statements as of December 31, 2025.

Rental Properties

In addition to its land inventory, the Company owns several rental properties, including available commercial and retail spaces in its completed projects, which are currently used by the Company, or leased out to third parties to generate recurring income.

The Company also has a number of projects with commercial components, including the following:

Project	Location	Type	GLA (sqm)
38 Park Avenue	Cebu IT Park, Cebu	Retail	903
Asia Premier Residences	Cebu IT Park, Cebu	Residential and Retail	847
Astra Centre	Mandaue City, Cebu	Office and Retail	7,979
Banilad High Street	Banilad Road, Cebu	Retail	1,205
Base Line Center HQ	Juana Osmeña St., Cebu	Office and Retail	971
Base Line Center Phase 1	Juana Osmeña St., Cebu	Office and Retail	5,368
Base Line Center Phase 2	Juana Osmeña St., Cebu	Office and Retail	1,559
Base Line Residences	Juana Osmeña St., Cebu	Residential and Retail	286
Casa Mira South	Naga, Cebu	Retail	193
Casa Mira Towers Guadalupe	Guadalupe, Cebu	Retail	2,180
Casa Mira Towers Labangon	Labangon, Cebu	Retail	818
Davao Global Township	Matina, Davao	Office and Retail	16,784
Insular Life Building	Davao City, Davao del Sur	Office	847
Latitude Corporate Center	Cebu Business Park	Office and Retail	11,501
MesaTierra Garden Res	Davao City, Davao del Sur	Retail	82
MesaVerte Residences	Osmeña Ext., CDO	Retail	121
Midori Residences	Mandaue City, Cebu	Residential and Retail	74
Mivesa Residences	Lahug, Cebu	Residential and Retail	246
Old Patria	P. Burgos St., Cebu	Office and Retail	624
Park Centrale	Cebu IT Park, Cebu	Office and Retail	4,139
Patria - New	P. Burgos St., Cebu	Retail	1,817
SJMV - Balamban	Brgy. Buanoy, Balamban, Cebu	Residential and Retail	32
Velmiro Heights	Tunghaan, Minglanilla	Residential	908
Velmiro Heights - Bacolod	Brgy. Granada, Bacolod City	Residential	2,500
Worknook	Cebu City, Cebu	Office	405
Casa Mira Towers Mandaue	Mandaue City, Cebu	Retail	3,171
LPU Town Center	Davao City, Davao del Sur	Office and Retail	2,212
Paragon Lifestyle Mall	Davao City, Davao del Sur	Office and Retail	3,251
Paragon Stand Alone	Davao City, Davao del Sur	Office and Retail	216
TOTAL			71,241

The Company's residential leases have an average term of one year, while the Company's commercial leases have an average term of three to five years, both renewable upon mutual agreement of parties. Sixty days' notice is required from tenants for the extension or pre-termination of their leases, and a two-month security deposit is paid at the commencement of the lease. The Company charges rent as a fixed rent per sq.m., which may be subject to an escalation clause.

In its leases with its related entities, the Company observes arm's length commercial terms and considers the current rentals payable by tenants of the condominium units and parking slots that are operational at presently reflect prevailing market rents.

Leased Properties

The Company leases, from third parties, properties for use as office space and staff houses of its employees located on sites outside of Cebu.

In 2019, with the approval of the National Historical Commission of the Philippines, CLI entered into a 40-year lease contract with the Archdiocese of Cebu to redevelop Patria de Cebu, a 6,670 sq.m. property in downtown Cebu. This mixed-use development's concept and design is inspired by Filipino-Spanish culture, history, and architecture.

In 2020, the Company signed a 43-year lease contract to develop Masters Tower Cebu, a mixed-use tower located at Cebu's preferred business address, Cebu Business Park. The project will be on a 2,840 sq.m. property and will offer prime office and retail spaces and the first five-star luxury hotel in Cebu City. Sofitel, Cebu City will be operated by multinational chain Accor, a world leading hospitality group headquartered in France.

SPE was formed in 2021 by CLI and the Farrarons family as a JV. The JV will build a mixed-use development on a leased property with a 22-year term remaining. The project, now named Banilad High Street, will include retail areas as well as a 300-room dormitory.

The properties being leased by the Company and its subsidiaries are summarized as follows:

Property	Area (sq.m)	Lease rate	Location	Start of Term	Term	Renewal Options
Land	6,670	Monthly rent of ₱150.00 per sq.m. with 5% escalation every two years	Colon, Cebu City	2019	40 years	None
Land	2,804	Monthly rent of ₱1,000.00 per sq.m. with 5% escalation every two years	Cebu Business Park	2019	43 years	None
Land	7,595	Monthly rent of ₱132.00 per sq.m. with 5% escalation annually	Banilad, Cebu City	2021	22 years	With option for renewal (<i>i.e.</i> , 30 days prior to the expiration)
Land	4,034	Monthly advance rent of ₱70.98 in the first 3 years, and monthly rent of ₱79.50 per sq.m. with 2.5% escalation annually thereafter	Mandaue City	2022	30 years	With option to renew for another 30 years after expiration

Mortgage, Liens, and Encumbrances

CLI has 132 principal owned properties valued at ₱55.17 billion and located across VisMin with 103 residential projects, 6 office buildings, 10 hotels, 10 mixed-use projects and 3 estates. Of these properties, ₱33.69 billion are mortgaged with different local bank partners whose development loans are not yet fully paid while ₱21.48 billion are clean and free of any lien.

In Billions ₱	Mortgaged	Clean	Total
Real Estate Inventories	11.28	9.89	21.17
Property and Equipment	10.73	2.24	12.97
Investment Properties	11.68	9.35	21.03
Grand Total	33.69	21.48	55.17

Please see above table under the heading “*Land Inventory*” in this section “*Description of Property*” for the parcels of land subject of a security interest.

Under Section 18 of Presidential Decree No. 957, no mortgage on any unit or lot shall be made by the owner or developer without prior written approval of the HLURB (now DHSUD). Accordingly, before the Company mortgages properties being used for its condominium or subdivision projects, it ensures compliance with the said law and its implementing regulations.

Properties of the Company and its Subsidiaries, in which particular projects have been developed, are also subject to restrictions arising from the nature of such projects. For instance, certain properties over which a condominium building project has been constructed would have restrictions annotated on the title of such property arising from the Master Deed restrictions on the use of the property for condominium use.

Property under mortgage restricts the debtor from selling, alienating, incurring, taking on, or allowing to exist any other mortgage, lien, pledge, or other charge or encumbrance upon or with respect to any or all of the debtor’s present or future fixed assets, machineries, and equipment other than in the normal course of its business. Additionally, in order for a property to be free of restrictions, the debtor is required to obtain prior approval from the bank (creditor) and the related loan obligation on which the property is mortgaged must be fully satisfied.

Within the next 12 months, the Company intends to purchase parcels of land for expansion projects in the cities of Cebu, Ormoc, CDO, and General Santos, which are still pending negotiations with their respective landowners. Acquisition prices are still being negotiated and will be determined in full after the contracts are executed. These sites will be purchased with funds that CLI has generated internally.

Likewise, properties being leased by the Company are subject to typical lease-related limitations on usage, *i.e.*, for office use only.

Insurance

In accordance with relevant laws and regulations, CLI procures comprehensive insurance coverage for its real and personal properties. For our construction projects, we require all contractors to submit surety bonds for down payments as well as performance bonds. Additionally, the Company maintains Contractor’s All-risk Insurance (CARI) for each ongoing project during the construction stage, subject to customary deductibles and exclusions. For completed projects, it is essential that homeowner’s associations and condominium corporations obtain Property All-risk Insurance (PARI). This requirement is a standard part of the master deed to ensure continuous and adequate coverage for these assets.

Intellectual Property

CLI ensures compliance with intellectual property laws and regulations, including guidelines and issuances of the Intellectual Property Office of the Philippines (“IPOPHL”). CLI recognizes the importance of its trademarks as among its valuable assets and helps distinguish CLI’s products and services from competitors. Thus, protection of its trademarks is a priority of CLI.

ITEM 3. LEGAL PROCEEDINGS

As of December 31, 2025, CLI is not a party to, nor are any of its properties the subject of any pending material litigation, arbitration, or other legal proceeding, and no litigation or claim of material importance is known to the management and the directors to be threatened against CLI or any of its properties, except for ongoing legal proceedings involving the Company, as summarized below:

CASE NAME	DATE INSTITUTED	RELIEF SOUGHT	SUMMARY AND LATEST STATUS
Wood Innovation Trading, Inc. v. Sps. Bouffard and Cebu Landmasters, Inc.	November 2017	Annulment of Sale, Certificates of Titles, Tax Declarations, with Recovery of Ownership and Damages	The Plaintiff alleged that it had prior rights over two properties that the Company acquired in March 2017. Accordingly, the Plaintiff is seeking ₱10.70 million in damages and cancellation of the titles issued to the Company. CLI maintains its defense that there is no double sale and that it had no knowledge of its co-defendant's alleged prior transaction with the Plaintiff. On August 20, 2019, the Regional Trial Court in Dumaguete City dismissed the Plaintiff's claims. Nonetheless, the case remains pending as the Plaintiff refiled the case and the Company pursued its counterclaim of ₱800.00 million against the Plaintiff. A decision dated October 24, 2024 was issued dismissing the civil case. Currently, the Plaintiff filed an appeal with the Court of Appeals.

CASE NAME	DATE INSTITUTED	RELIEF SOUGHT	SUMMARY AND LATEST STATUS
Sanford Marketing Corporation v. Cebu Landmasters, Inc. and Carwill Construction Incorporation	November 2022	TRO, preliminary injunction, and damages	This case was filed by the Plaintiff who owns a building adjacent to CLI's residential development in Cagayan de Oro City. The Plaintiff alleged that falling debris and a fire in the Plaintiff's warehouse were caused by construction activities. CLI, on the other hand, raised procedural issues on the complaint such as the improper joinder of parties and lack of jurisdiction, and alleged that the Plaintiff has not sufficiently substantiated their allegations. The Judge deferred the progress of the case and has only set status hearings with the general contractor, Carwill, undertaking to improve safety in the site since the filing of the case. Currently, the parties are awaiting a decision on the Defendant's affirmative defense of lack of jurisdiction.

CASE NAME	DATE INSTITUTED	RELIEF SOUGHT	SUMMARY AND LATEST STATUS
Sps. Villacarlos v. Cebu Landmasters, Inc.	March 2022	Specific Performance	This case was filed by a buyer in a residential development of the Company in Cebu City on March 3, 2022 with the Human Settlements Adjudication Commission of the Philippines ("HSAC"). The Complainant alleged that he established interest and rights over a particular parking unit in the development. CLI maintains as its defense that the complainant's occupancy of the subject parking unit was merely temporary and tolerated; moreover, the slot had already been sold to another buyer. HSAC ruled against the Complainant, but he has opted to appeal. Currently, the case is pending before the Court of Appeals.

CASE NAME	DATE INSTITUTED	RELIEF SOUGHT	SUMMARY AND LATEST STATUS
Cebu Landmasters, Inc. v. Devlarn Ventures and Development Corporation and the Office of the Register of Deeds of Lapu-Lapu City	May 2024	Permanent injunction with TRO and preliminary injunction	On March 11, 2024, CLI received a letter from Devlarn Ventures and Development Corporation (“DVDC”) notifying it that it intends to enforce a statutory lien on the titles of the land where the exclusive beachfront community project is constructed. This is a civil case filed by CLI against DVDC praying that DVDC be enjoined from doing any and all acts tending to unduly interfere with the business operations of CLI, particularly with the ongoing construction activities of its Costa Mira Beachtown Mactan project, and any adverse or prejudicial actions that will cause irreparable damage to CLI’s goodwill and business reputation. The Register of Deeds of Lapu-Lapu City is also impleaded as co-defendant to prevent it from annotating any adverse claim on CLI’s titles covering the Costa Mira Beachtown Mactan project. Currently, the case is for the presentation of the first witness for the prayer for preliminary injunction.

CASE NAME	DATE INSTITUTED	RELIEF SOUGHT	SUMMARY AND LATEST STATUS
Ernesto C. Ouano Development Corporation represented by Thereone O. Villa v. Cebu Landmasters, Inc.	December 9, 2024	Preliminary Injunction with Prayer for the Issuance of Temporary Restraining Order, Specific Performance, Damages and Attorney's Fees	This case is filed by Ernesto C. Ouano Development Corporation against CLI praying that the latter be enjoined from continuing its drainage and excavation works from its Project towards the Disputed Road which is part of Camp Lapu-Lapu Road in Barangay Apas, Cebu City, and in connected thereto, be awarded damages. The Plaintiff alleges that it owns the Disputed Road. CLI asserts that the excavation and drainage work along Camp Lapu-Lapu Road are valid and done in good faith, having secured all government permits from the City of Cebu. Given CLI's good faith in implementing the drainage works, there can be no basis for the reward of damages to the Plaintiff. After receiving the Plaintiff's Complaint, CLI promptly halted all drainage and excavation works on the Disputed Road and re-concreted it, restoring it to its previous condition, and ultimately rendering the issues in this case moot. The hearing for the preliminary injunction ensued where the court ordered the parties to observe the status quo. The court set the case for pre-trial but CLI will pursue early dismissal of the case considering that the act sought to be enjoined no longer exists.

CASE NAME	DATE INSTITUTED	RELIEF SOUGHT	SUMMARY AND LATEST STATUS
			Last February 2026, both parties filed a Joint Motion for Dismissal of the case. The Court is yet to issue the resolution dismissing the case.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matter was submitted during the fourth quarter of the fiscal year covered by this report to a vote of security holders, through the solicitation of proxies or otherwise.

PART II – OPERATIONAL AND FINANCIAL INFORMATION

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Market Price of the Issuer's Common Shares

The Company's common shares were listed on the PSE on June 2, 2017. The Company's common shares are principally traded at the PSE under the symbol "CLI".

The high and low prices of the common shares for each quarter since its common shares have been listed are indicated in the tables below.

In ₱	High	Low	Close
2017			
Second Quarter (month of June only)	5.98	5.13	5.34
Third Quarter	5.51	4.58	5.07
Fourth Quarter	5.17	4.59	4.88
2018			
First Quarter	5.12	4.21	4.70
Second Quarter	5.06	4.48	4.58
Third Quarter	4.73	4.27	4.42
Fourth Quarter	4.59	3.60	4.14
2019			
First Quarter	4.29	4.19	4.20
Second Quarter	4.89	4.80	4.83
Third Quarter	4.75	4.70	4.74
Fourth Quarter	4.83	4.67	4.83
2020			
First Quarter	3.80	3.70	3.72
Second Quarter	5.10	4.35	4.69
Third Quarter	4.92	4.83	4.90
Fourth Quarter	5.05	4.99	5.05
2021 *price after stock dividends			
First Quarter	2.65	2.60	2.64
Second Quarter	3.85	3.72	3.77
Third Quarter	3.00	2.89	2.95
Fourth Quarter	3.00	2.73	3.00
2022			
First Quarter	3.02	2.71	2.97
Second Quarter	3.06	2.48	2.50
Third Quarter	2.60	2.19	2.34
Fourth Quarter	2.80	2.20	2.80
2023			
First Quarter	2.62	2.61	2.62
Second Quarter	2.60	2.56	2.59
Third Quarter	2.66	2.64	2.65
Fourth Quarter	2.53	2.47	2.47
2024			
First Quarter	2.80	2.78	2.80
Second Quarter	2.60	2.60	2.60
Third Quarter	2.71	2.66	2.66
Fourth Quarter	2.68	2.64	2.65
2025			
First Quarter	2.74	2.55	2.60
Second Quarter	2.67	2.42	2.49
Third Quarter	2.60	2.27	2.32
Fourth Quarter	2.39	2.15	2.35

The closing price of the Company's common shares listed on the PSE is ₱2.35 per share as of December 31, 2025. The market capitalization of the Company is ₱9.18 billion computed using the outstanding common shares of the Company and the closing price of the Company's common shares on the PSE as of December 31, 2025.

Stockholders

The following are the list of registered holders of the common equity securities of the Company as of December 31, 2025:

	Stockholder Name	No. of Common Shares	Percentage (of common shares)
1	AB Soberano Holdings Corp.	2,294,199,095	63.17%
2	PCD Nominee Corp. (Filipino)	1,247,902,171	33.88%
3	PCD Nominee Corp. (Non-Filipino)	32,383,934	1.60%
4	Jose R. Soberano III	31,220,000	0.86%
5	Jose Franco B. Soberano	7,247,500	0.20%
6	Janella Mae B. Soberano-Wu	5,017,500	0.14%
7	Joanna Marie B. Soberano Bergundthal	5,017,500	0.14%
8	Ma. Nona A. Velez	300,000	0.01%
9	Myrna P. Villanueva	39,300	0.00%
10	Myra P. Villanueva	33,450	0.00%
11	Marietta V. Cabreza	22,300	0.00%
12	Lolita Siao-Ignacio	22,300	0.00%
13	Maria Lourdes M. Onozawa	22,300	0.00%
14	Milagros P. Villanueva	22,300	0.00%
15	Owen Nathaniel S Au Itf: Li Marcus Au	111	0.00%
16	Jesus N. Alcordo	2	0.00%
17	Ma. Aurora D. Geotina-Garcia	2	0.00%
18	Rufino Luis T. Manotok	2	0.00%
	TOTAL	3,623,451,997	100.00%
	Treasury shares	158,250,530	-4.37%
	TOTAL	3,465,201,467	95.63%

The following are common shares held by the Company's Board of Directors lodged with PCD Nominee Corporation as of December 31, 2025:

	Stockholder Name	No. of Common Shares	Percentage (of common shares)
1.	Jose R. Soberano III	137,760,480	3.80%
2.	Ma. Rosario B. Soberano	132,127,500	3.65%
3.	Jose Franco B. Soberano	13,082,741	0.36%
4.	Joanna Marie B. Soberano Bergundthal	11,889,691	0.33%
5.	Beauregard Grant L. Cheng	2,453,000	0.07%
6.	Stephen A. Tan	11,150	0.00%
7.	M. Jasmine S. Oporto	8,920	0.00%
8.	Rufino Luis T. Manotok	2	0.00%
9.	Ma. Aurora Geotina-Garcia	2	0.00%
10.	Winston Conrad B. Padojinog	2	0.00%
11.	Eugene S. Acevedo	2	0.00%
	TOTAL	297,333,490	8.21%

CLI's issued and outstanding capital stock is as follows: (A) 3,465,201,467 outstanding common shares with par value of ₱1.00 per share or an aggregate par value of ₱3,465,201,467.00; (B) 158,250,530 common shares in treasury with par value of ₱1.00 per share or an aggregate par

value of ₱158,250,530.00; and (C) 2,063,360 Series “A-1” and 2,216,980 Series “A-2” Preferred Shares with par value of ₱1.00 and aggregate par value of ₱4,280,340.

The issuance of the Series A Preferred Shares to Philippine nationals will reduce the percentage of shareholdings of foreigners in the outstanding capital stock of the Company, *i.e.*, voting and non-voting shares.

Dividends

The Company and its Subsidiaries have a transparent and specific dividend policy as disclosed in the Company’s Sustainability Report, an integral attachment to its Annual Report and its Integrated Annual Corporate Governance Report. The dividend policy, which was approved by the Board prior to its initial public offering and as set out in the Company’s annual reports, states that dividends are declared and paid by CLI based on the assessment and approval of its Board, subject to the availability of retained earnings and taking into account cash flow considerations and other financial conditions of the Company after considering future capital expenditures, and project requirements, among others. There is no other dividend policy (*e.g.*, such as a statement on the dividend payout ratio) save as already stated in the foregoing. In relation thereto, the Company has consistently declared and paid dividends to its investors and shareholders, in keeping with its dividend policy and following the SEC rule on calculation of available retained earnings for dividend declaration and after appropriations for investment and other requirements.

The Company declares cash or stock dividends to its common shareholders on a regular basis, in amounts determined by the Board, pursuant to its dividend policy. The Company may also declare special cash dividends where appropriate.

Cash and stock dividends declared and paid by the Company in FY2014 up to FY2025 are as follows:

i. Cash dividends

Year of Declaration	Rate of Dividend Declared per Share (in ₱)	Record Date	Amount Paid (in ₱)
2014	12.50	November 3, 2014	48,000,000
2015	7.19	February 28, 2015	42,000,000
2015	10.27	June 15, 2015	60,000,000
2015	8.56	October 15, 2015	50,000,000
2015	5.66	December 15, 2015	50,000,000
2016	2.26	March 31, 2016	20,000,000
2016	5.99	August 31, 2016	52,943,457
2016	4.32	September 15, 2016	38,150,000
2016	1.70	September 30, 2016	15,000,000
2016	0.74	November 21, 2016	650,000,000
2016	0.05	December 1, 2016	40,000,000
2016	0.03	December 1, 2016	40,000,000
2017	0.15	March 23, 2018	235,186,980
2019	0.20	March 26, 2019	332,590,000
2020	0.25	April 3, 2020	414,795,000
2021	0.25	April 16, 2021	388,749,900
2022	0.112 (Regular) 0.038 (Special)	April 22, 2022	519,780,221

2023	0.15 (Regular) 0.03 (Special)	April 18, 2023	623,736,264
2024	0.15 (Regular) 0.03 (Special)	April 17, 2024	623,736,265
2025	0.15 (Regular) 0.03 (Special)	April 11, 2025	623,736,265

ii. Stock dividends

Year of Declaration	Rate of Dividend Declared per Share	Record Date	Number of shares
2014	0.52	November 30, 2014	2,000,000
2015	0.34	December 15, 2015	3,000,000
2021	1.23	June 18, 2021	1,909,451,997

The notes facility agreements of CLI have a provision restricting the declaration and payment of dividends to its stockholders unless all payments due under the promissory notes issued thereunder are current and updated or unless the dividends are payable solely in shares of its capital stock. CLI has not defaulted on its loan obligations under such agreements, and hence, the foregoing restriction has not applied and therefore it is free to declare dividends to its stockholders.

The following table also shows the dividend declarations of the Company's major Subsidiaries:

Subsidiary	Total Dividends Declared					
	CLI Share	2025	2024	2023	2022	2021
CLPM	100%		₱19,000,000	-	₱27,500,000	₱12,500,000
YES	50%			₱140,200,000	-	-
MGR	45%		₱65,000,000	₱61,600,000	₱130,000,000	₱160,000,000
BL CBP Ventures, Inc	50%			₱16,800,000	₱8,400,000	
YHEST	50%	₱1,500,000,000	₱100,000,000			
El Camino	35%	₱160,000,000	₱300,000,000			

The Company's Subsidiaries follow the parent's policy on dividends which states that dividends are declared and paid based on the assessment and approval of the Board, subject to the availability of retained earnings and taking into account cash flow considerations and other financial conditions of the Company after considering future capital expenditures, and project requirements, among others.

History of share Issuances for the past five years

The Board of Directors of CLI at its meeting held on November 24, 2020 approved the increase in the authorized capital stock of CLI from ₱2,500,000,000.00 divided into 2,400,000,000 common shares with a par value of ₱1.00 per share, and 1,000,000,000 voting preferred shares with a par value of ₱0.10 per share, to ₱10,100,000,000.00, divided into 10,000,000,000 common shares with a par value of ₱1.00 per share, and 1,000,000,000 voting preferred shares with a par value of ₱0.10 per share.

Moreover, the Board of Directors of CLI at its meeting held on November 24, 2020 approved the declaration of stock dividend of 122% on the outstanding capital stock of CLI or a total of 1,900,000,000 shares of common stock, to be issued out of the unrestricted retained earnings of CLI as of September 30, 2020, which stock dividends would be sourced from the increase in authorized capital stock of CLI, and payable to stockholders of record as of the record date and payment date to be fixed and approved by the Board of Directors of CLI and the regulators.

During the special stockholders' meeting held on February 26, 2021, the stockholders of CLI approved the distribution of new common shares as stock dividends. On the basis of such approval, stockholders on record would receive 123 shares for every 100 block of shares, and the stock dividends would be in lieu of cash payment from existing stockholders to subscribe to the minimum requirement of 25% increase in authorized capital stock.

The SEC approved the increase in capital stock of CLI from ₱2,500,000,000.00 to ₱10,100,000,000.00 on May 21, 2021. Moreover, through an order dated May 26, 2021, the SEC authorized the record date of June 18, 2021 in connection with the stock dividends, among other matters.

On July 6, 2021, the PSE approved the application of CLI to list an additional 1,909,451,997 common shares to cover the stock dividend declaration to its stockholders of record as of June 18, 2021. The payment date was on July 14, 2021.

On January 04, 2024, the SEC issued and released the Certificates of Filing of Amended Articles of Incorporation, both dated 29 December 2023, which approved CLI's applications for amendment of its Articles of Incorporation to create a new class of CLI preferred shares through the reclassification of one billion unissued common shares with a par value of ₱1.00 per share to one billion Series "A" preferred shares with a par value of ₱1.00 per share. The SEC applications are in line with the approval of the Board of Directors during the special board meeting held on 25 April 2023, and approval of the Stockholders during the Annual Stockholders' meeting held on 01 June 2023 on the amendment of Article VII of CLI's AOI, including the creation of the new class of preferred shares. As a result of the reclassification and amendment of AOI, CLI's authorized capital stock comprises ₱9.00 billion common shares, ₱1.00 billion Series "A" Preferred Shares, and ₱100.00 million Series "B" Preferred Shares.

Article VII of CLI's latest Amended AOI grants to its Board of Directors the express authority to determine, fix, and approve all other features, salient and commercial terms, issuance and redemption features, and all other terms and conditions of the Series "A" Preferred Shares, including any tranche or sub-series thereof.

In relation thereto, and during its special board meeting held on January 8, 2024, the CLI Board of Directors approved and authorized the Company's public offering of 3,000,000 Series "A" Preferred Shares with an oversubscription option of up to 2,000,000 Series "A" Preferred Shares at an offer price of ₱1,000.00 per share. The CLI Board of Directors also approved the terms and conditions of the Offer Shares during the same board meeting.

In April 12, 2024, CLI successfully listed and traded on the Main Board of the Philippine Stock Exchange the total number of 4,280,340 Series A-1 and Series A-2 Preferred Shares (collectively, the Series "A" Preferred Shares). The total gross proceeds of the Series "A" Preferred Shares, with an offer price of ₱1,000.00 per share, amounted to ₱4,280,340,000.00. The net proceeds from the Series "A" Preferred Shares will be used to support CLI's strategic expansion initiatives and ongoing project developments, with a portion also allocated for general corporate purposes. The Series "A" Preferred Shares have dividend rates of 7.585% per annum for the 4-year Series A-1 and 8.25% per annum for the 7-year Series A-2.

CLI and its Subsidiaries are not involved in any bankruptcy, receivership, or similar proceedings, and have no material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) OR PLAN OF OPERATION

The following discussion of the Company's recent financial results should be read in conjunction with the auditors' reports and the Company's consolidated financial statements and notes thereto contained in this Annual Report and the section entitled "Summary of Financial Information". This discussion contains forward-looking statements and reflects the current views of the Company with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in the section entitled "Risk Factors and Other Considerations" and elsewhere in this Annual Report.

COMPANY MILESTONES FOR THE PERIOD ENDED DECEMBER 31, 2025

For the year ended December 31, 2025, Cebu Landmasters, Inc. (CLI) continued to strengthen its presence across VisMin while taking a significant step in expanding beyond its core markets. The Company further solidified its footprint in the region through ongoing developments, including its mixed-use landbank in Liloan, Cebu, while marking a key milestone with its entry into Luzon. CLI recently secured a 70-hectare property in Dasmaríñas, Cavite—its first major investment in Luzon—expected to support a future township in one of the region's fastest-growing corridors and opening a new phase in its geographic expansion.

As of year-end, CLI has a total of 132 projects across residential, office, hotel, co-living, co-working, mixed-use, and township developments in 18 key cities across the Visayas and Mindanao. During the year, the Company maintained a strong launch pipeline, rolling out more than 4,500 residential units with a combined sales value of approximately ₱31.3 billion across Cebu, Cagayan de Oro, Palawan, and General Santos.

Key project launches were met with strong market reception. One Manresa Place in Cagayan de Oro generated ₱4 billion in sales within two days and reached ₱5 billion within two weeks, achieving around 96% take-up shortly after launch. Similarly, Casa Mira Homes GenSan recorded ₱4.3 billion in sales within three days and was fully sold out within the year. These strong performances contributed to a high overall sell-out rate of 91% across completed, ongoing, and newly launched developments, underscoring sustained end-user demand in CLI's core markets.

In a study by Colliers, CLI retained its top position in the VisMin real estate market, accounting for a 19.3% share of the region's residential segment, an increase in market share from 16% the previous year.

Sustained Industry Recognition and Awards

CLI continued to receive strong industry recognition in 2025, reaffirming its leadership in the VisMin real estate market. During the year, the Company was recognized at the PropertyGuru Philippines Property Awards, where it secured major accolades including Best Housing Developer, Best Developer (Visayas), and Best Developer (Mindanao)—highlighting its consistent delivery of quality developments and strong market presence across the region.

CLI's winning streak as the Top 10 Developers in the Philippines by BCI Asia for the seventh straight year reinforces its reliability and innovation in real estate development.

The 2025 Asia-Pacific Stevie Awards again recognized CLI, as one of the Silver Stevie Winners for Innovative Achievement in Corporate Social Responsibility. This distinction represents the Company's unwavering dedication to sustainability and exceptional efforts in improving the environment and society at large.

In addition, CLI earned recognition for its sustainability efforts, receiving the 2025 Green Initiative Award, reflecting its commitment to environmentally responsible development and long-term value creation.

In 2025, CLI received another award from ACES recognizing its green initiatives citing its tree growing program, initial steps towards circularity in plastic waste management and its green building certification.

REVIEW ON THE COMPANY'S RESULTS OF OPERATION

January 1 to December 31, 2025 vs January 1 to December 31, 2024

In Million Pesos (₱)	Dec 2025	Dec 2024	Horizontal Analysis		Vertical Analysis	
	Audited	Audited	Increase (Decrease)			
		Restated	Amount	%	2025	2024
Revenue	18,517	18,647	(130)	-0.7%	100.0%	100.0%
Cost of Sales	(9,007)	(8,878)	(130)	1.5%	-48.6%	-47.6%
Gross Profit	9,510	9,770	(259)	-2.7%	51.4%	52.4%
Operating Expenses	(3,852)	(3,201)	(651)	20.4%	-20.8%	-17.2%
Other Operation Income	2,223	852	1,372	161.1%	12.0%	4.6%
Finance Costs	(2,370)	(2,188)	(182)	8.3%	-12.8%	-11.7%
Other Gains/Losses ¹	3	(5)	8	-167.6%	0.0%	0.0%
Profit Before Tax	5,514	5,228	286	5.5%	29.8%	28.0%
Tax Benefit/ Expense	(1,484)	(1,230)	(254)	20.7%	-8.0%	-6.6%
Net Profit	4,030	3,998	32	0.8%	21.8%	21.4%
Non-Controlling Interest	993	988	5	0.5%	5.4%	5.3%
Parent Net Profit	3,037	3,010	27	0.9%	16.4%	16.1%

¹Other Gains/Losses comprises Finance Income, Share in Net Loss of Associates, Impairment Loss on Financial Ass

CLI delivered a stable topline performance in 2025, with Revenues slightly down by 0.7% to ₱18.52 billion from ₱18.65 billion in 2024. The slight decline was mainly due to lower Lot Sales, driven by the reclassification of some transactions to Other Operating Income. Despite this, overall profitability remained steady, supported by the strong growth in Other Operating Income, which increased by 161% to ₱2.22 billion. Overall, CLI maintained its earnings level, with Net Income slightly higher at ₱4.03 billion. Net Profit attributable to Parent also grew by 0.9% to ₱3.04 billion, reflecting the company's ability to sustain performance despite higher costs and a slightly lower topline.

REVENUES

Real estate sales remained the primary revenue driver, posting a solid 10% year-on-year increase to ₱17.31 billion from ₱15.78 billion, excluding lot sales. The growth was mainly driven by continued project completions, steady construction progress, and sustained buyer demand, which supported revenue recognition during the period.

In terms of location, Cebu still is the strongest contributor of revenue which accounted for 38% of its overall figure. Mindanao and Visayas (excluding Cebu) contributed 36% and 26%, respectively. The rise in revenue share outside Cebu was supported by new projects such as Velmiro Heights Davao, Casa Mira Homes Butuan, Casa Mira Homes Davao, Mindara Residences, East Village Residences, Casa Mira Towers Palawan, Casa Mira Towers Bacolod and Costa Mira Beach Panglao.

Revenue per market segment reported the following performance:

Premier Masters (Premier market) reported revenue of ₱2.45 billion, reflecting an increase of 11% year-on-year from ₱2.22 billion. This increase can be attributed to significant revenue qualifications related to Costa Mira Beachtown Panglao and 38 Park Avenue.

Garden Series (Mid-market), posted a revenue of ₱7.67 billion from ₱4.32 billion. The 77% growth was driven by The East Village, CLI's first residential project within the Davao Global Township (DGT), as well as Velmiro Heights Davao—one of the Company's fastest-selling projects, which sold out in just two days and Mandtra Residences, which also contributed to the segment's solid take-up and revenue recognition.

Casa Mira Series (Economic market) generated revenue from ₱5.18 billion to ₱6.28 billion, reflecting a 21% increase. This increase is primarily due to substantial revenue recognitions from Casa Mira Homes Butuan, and Casa Mira Towers Palawan.

The Company expects to grow real estate revenue contribution from projects newly launched during the period.

Leasing

The company recorded strong growth in rental revenues, reaching ₱226.55 million, up 39% from ₱162.41 million last year. The growth was primarily attributable to incremental revenue from newly secured retail tenants and higher occupancy levels in recently completed projects.

Notably, by the end of 2025, CLI has substantially expanded its Gross Leasable Area (GLA) to 71,241 square meters, up 76% from 40,575 square meters in the previous year, following the addition of new leasable spaces. The increase was mainly driven by the completion and turnover of Banilad Highstreet and the Drive-Thru spaces in Davao Global Township, both of which achieved 100% lease occupancy. Additionally, the completion of the DGT Pavilion and DGT Retail Pads contributed over 4,000 square meters of GLA, alongside expansions in DGT City Center, LPU Town Center, and Paragon Lifestyle Mall.

Looking ahead, the full opening of Astra Mall is expected to further boost rental income and expand CLI's base of recurring revenues. With a larger leasing portfolio and higher occupancy, CLI is well positioned to generate higher rental revenues in the coming years, maximize the use of its commercial properties, and strengthen its presence in the retail and leasing market.

Hotel operations

The strengthening of the hospitality industry in VisMin presents a significant opportunity for CLI. CLI is effectively tapping into this growth as it expands its footprint in the VisMin tourism industry with the opening of the 200-room Citadines Bacolod City. The company's first hotel outside Cebu City and the largest international hotel in Bacolod.

With the opening of Citadines Bacolod City, Cebu Landmasters now operates four hotels—Citadines Cebu City, lyf Cebu City at Base Line Center, The Pad Co-Living in Banilad Highstreet, and Citadines Bacolod City. Hotel operations continued to perform strongly, with revenue nearly doubling to ₱430.87 million from ₱240.47 million in the same period last year, a 79% increase. The increase was mainly driven by the contribution of newly opened properties and improved occupancy across existing hotels. This milestone marks a stronger recognition of recurring income from CLI's hospitality portfolio, reflecting its growing presence in the hotel and serviced residence sector.

CLI is also set to complete Radisson Red with 144 rooms by the 1st quarter of 2026. Furthermore, five more hotels are currently under construction, positioning the company to take advantage of the growing opportunities in the hospitality market. These upcoming developments are expected to further strengthen CLI's recurring income and expand its presence in key cities across VisMin.

Management Fee

This included the project management fee that CLI charges for being the project manager on joint venture projects and the property management fee for CLIPMI services provided to CLI's completed projects. During the year, the parent company's project management revenue reached ₱77.43 million, these are fees charged to CLI's joint venture companies for managing the development of the project.

COST AND EXPENSES

COST OF SALES AND SERVICES

In line with the growth in revenue performance, the Company's Cost of Sales and Services for the year ended December 31, 2025, was reported at ₱9.00 billion, 1% year-over-year increase from ₱8.88 billion of the same period last year as restated with the adoption of PFRS 15.

OPERATING EXPENSES

Total Operating Expenses during the period amounted to ₱3.85 billion, a 20% y-o-y increase from ₱3.2 billion of the same period in 2024. The significant increase in Operating Expenses was primarily driven by higher salaries and employee benefits due to headcount growth and enhanced compensation to support expanding operations, as well as increased taxes and licenses resulting from elevated real property taxes, permit fees, and regulatory costs tied to the company's active real estate development projects.

The Company carefully balanced its debt mix of 54% fixed and 46% floating rates. Due to this, CLI is able to maintain its competitive rate of 6.8% despite an increase in benchmark rates. The stated rate, while being higher than the previous year, is nonetheless competitive when compared to current capital raising rates charged in the sector.

In October 7, 2022, CLI listed its first tranche of ₱15 billion bonds worth ₱5 Billion with the following tenors:

- Series A with a tenor of 3.5 years with a fixed rate of 6.4222%
- Series B with a tenor of 5.5 years with a fixed rate of 6.9884%
- Series C with a tenor of 7 years with a fixed rate of 7.3649%

And on March 21, 2025, the CLI issued the second tranche of its sustainability linked bonds amounting to P5,000,000,000 with the following tenors:

- Series D – maturity of 3 years and a coupon rate of 6.6348%; and,
- Series E – maturity of 5 years and a coupon rate of 6.9157%.

The proceeds from the Bonds raised will extend the debt maturity of the company and lock in rates to address any interest rate risk brought about by the challenging macro environment.

Also, CLI successfully listed its follow-on offering of PHP 4.28 billion from Series A preferred shares. Proceeds from this offering will primarily be used to support the company's expansion plans.

Recently, on August 8, 2025, Cebu Landmasters Inc. secured a ₱3,000,000,000 Sustainability-Linked Notes (SLNs) with the following tenors:

- Series F – maturity of 7 years; coupon rate of 6.9532% & 6.8727 %
- Series G – maturity of 10 years; coupon rate 7.3652% & 7.3024%

Subscribed by leading institutional investors, the proceeds will be used to fund real estate projects in fast-growing Visayas and Mindanao areas, as well as for general corporate purposes.

This Sustainability-Linked Notes issuance gives CLI long-term funding while linking its capital to measurable environmental and social outcomes. It demonstrates the company's commitment to sustainable development and supports its continued growth in the Visayas and Mindanao markets.

NET PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTEREST (NCI)

For the year ended December 31, 2025, net income attributable to NCI grew to ₱992.89 million from ₱987.94 million in the same period of 2024. This increase is due to higher income contribution from completing JV projects.

ADOPTION OF PFRS 15

The period as of December 31, 2025 as well as the adjusted December 31, 2024 financial performances adopts the new PFRS 15 "Revenue from Contracts with Customers" on Sale of residential Properties under Pre-Completion Contracts. The new standard requires that in determining the transaction price, an entity shall adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component.

There is no significant financing component if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference. Otherwise, there would have been a significant financing component when there is a difference between the percentage of completion ("POC") of the real estate project and the right to the consideration based on the payment schedule stated in the contract.

Furthermore, the new standard provides guidance with the accounting treatment for borrowing costs. The International Financial Reporting Interpretations Committee concluded that any inventory (work-in-progress) for unsold units under construction that the entity recognizes is not a qualifying asset, as the asset is ready for its intended sale in its current condition (i.e., the developer intends to sell the partially constructed units as soon as it finds suitable customers and, in signing a contract with a customer, will transfer control of any work-in-progress relating to that unit to the customer). Accordingly, no borrowing costs can be capitalized on such unsold real estate inventories.

To ensure a fair comparison, it is crucial to use adjusted figures when analyzing financial performance before and after the adoption of new PFRS. This approach allows for a like-for-like comparison, adjusting for the substantial changes brought about by the new standard and ensuring accurate and meaningful analysis of financial results.

REVIEW OF THE COMPANY'S FINANCIAL CONDITION

As of December 31, 2025, vs December 31, 2024

In Million Pesos (₱)	Dec 2025	Dec 2024	Horizontal Analysis		Vertical Analysis	
	Audited	Audited Restated	Increase (Decrease)		2025	2024
			Amount	%		
Cash and cash equivalents	3,041	1,583	1,457	92.1%	2.3%	1.5%
Receivables - net ¹	6,225	4,610	1,615	35.0%	4.6%	4.2%
Contract assets ²	55,602	49,427	6,175	12.5%	41.4%	45.3%
Real estate inventory	21,173	13,080	8,093	61.9%	15.8%	12.0%
Deposits on land for future development	782	0	782	100.0%	0.6%	0.0%
Due from related parties	78	53	25	46.7%	0.1%	0.0%
Prepayments and other current assets	10,463	7,361	3,102	42.1%	7.8%	6.8%
Non-current asset classified as held for sale	0	238	(238)	100.0%	0.0%	0.2%
Investments in joint ventures and associates	175	785	(610)	-77.7%	0.1%	0.7%
Property and equipment - net	12,969	9,165	3,804	41.5%	9.7%	8.4%
Right of use asset	1,057	1,095	(38)	-3.4%	0.8%	1.0%
Investment properties - net	21,026	19,445	1,581	8.1%	15.7%	17.8%
Other non-current assets - net	1,565	2,160	(595)	-27.5%	1.2%	2.0%
Total Assets	134,157	109,003	25,155	23.1%	100.0%	100.0%
Interest-bearing loans ³	46,774	44,614	2,160	4.8%	34.9%	40.9%
Trade and other payables ⁴	28,726	21,631	7,095	32.8%	21.4%	19.8%
Redeemable Preferred Shares	1,593	0	1,593	100.0%	1.2%	0.0%
Contract liabilities	345	296	49	16.5%	0.3%	0.3%
Customers' deposits	131	90	40	44.8%	0.1%	0.1%
Lease liabilities ⁵	1,316	1,291	25	1.9%	1.0%	1.2%
Income tax payable	39	16	23	145.4%	0.0%	0.0%
Bonds payable	13,874	4,965	8,910	179.5%	10.3%	4.6%
Post-employment defined benefit obligation	60	40	19	47.9%	0.0%	0.0%
Deferred tax liabilities - net	6,573	5,753	820	14.2%	4.9%	5.3%
Total Liabilities	99,431	78,696	20,734	26.3%	74.1%	72.2%
Non-controlling interest	12,315	9,961	2,355	23.6%	9.2%	9.1%
Total Equity	34,727	30,306	2,355	7.8%	25.9%	27.8%

¹ Receivables – net consists of the current and non-current portion.

² Contract assets – net is composed of the current and non-current portion.

³ Interest-bearing loans and borrowings comprise the current and non-current portion.

⁴ Trade and other payables is comprised of the current and non-current portion.

⁵ Lease liabilities is comprised of the current and non-current portion.

CLI's balance sheet remains steady and healthy to support construction and expansion plans. As of December 31, 2025, CLI reported Total Assets of ₱134 billion, a significant increase of 23% from ₱109.00 billion as of December 31, 2024 restated figures driven by progress in construction from sold units.

ASSETS

92% increase in Cash and cash equivalents mainly from the proceeds obtained from loan availments and higher takeouts.

35% increase in Receivables (including non-current portion) increased from ₱4.61 billion to ₱6.22 billion is attributable to several real estate projects that reached 100% completion as at the end of the interim period. Under the Company's policy, contract receivables are recognized or reclassified from contract assets, when the performance obligation is satisfied, and the entity has an unconditional right to payment, meaning the percentage of completion of the project is at 100%.

12% increase in Contract assets (including non-current portion) from ₱49.43 billion to ₱55.60 billion primarily due to installment contracts on existing and newly launched projects during the year that continue to recognize real estate sales revenue as construction progresses.

62% increase in Real Estate Inventories from ₱13.08 billion to ₱21.17 billion mainly due to lot acquisitions for future development projects and progression of development activities in newly launched and ongoing projects.

100% decrease in Noncurrent Asset held for sale declined by 100%, primarily due to the disposal of CLI's 30% stake in CLI NUD, previously valued at ₱237.83 million and classified under this account in 2024. As of December 31, 2025, the Group no longer holds any interest in the joint venture, resulting in the full decrease.

78% decrease in Investment in Joint Ventures and Associates from ₱784.89 million to ₱175.28 million, mainly due to the reduction in investments following the disposal of the Group's interest in CLI NUD.

47% increase in Due from related parties due to transactions paid by CLI (Parent) on behalf of its related parties from ₱53.43 million to ₱78.39 million.

42% increase in Prepayments and other current assets from ₱7.36 billion to ₱10.46 billion significantly due to increased advances to subcontractors.

42% increase in Property and equipment from ₱9.17 billion to ₱12.97 billion significantly due to the completion of new operational hotels such as Citadines Bacolod.

3% decrease in Right of use asset from ₱1.09 billion to ₱1.06 billion due to amortization of high-value leasehold rights.

8% increase in Investment properties from ₱19.44 billion to ₱21.03 billion attributed to ongoing construction of recurring income generating projects such as Masters Tower, Abaca Resort, Astra Corporate Center and Davao Global Township.

28% decrease in Non-current assets from ₱2.16 billion to ₱1.57 billion due to commissions paid in advance for future periods are now moving into the current period (increased current prepaid commissions).

LIABILITIES

22% increase in Interest-bearing loans and borrowings (including non-current portion) from ₱49.58 billion to ₱60.65 billion reflects stability, coupled with the strategic decision to raise funds through preferred shares to support ongoing and future project developments.

33% increase in Trade payables (including non-current portion) from ₱21.63 billion to ₱28.73 billion due to accruals made on unbilled costs to match with revenue recognized.

100% increase in Redeemable Preferred Shares Pertains to NTTUDA subscription to 796,500 non-voting redeemable preferred shares of CLVI at P2,000 per share, for a total subscription amount of P1,593,000,000.

16% increase in Contract liabilities from ₱296.27 million to ₱345.03 million mainly due to higher advances from buyers for units pending revenue recognition

145% increase in Income tax payable from ₱15.99 million to ₱39.23 million due to the accrual of income tax due for the period.

14% increased Deferred tax liabilities - net from ₱5.75 billion to ₱6.57 billion due to additional accrual of Net Profit in 2025 recognized tax liability on taxable temporary differences.

EQUITY

18% increase in Parent Company's Retained Earnings from ₱11.62 billion in December 2024 to ₱13.70 due to the Net Profit recognized during the period.

2024 COMPANY MILESTONES

COMPANY MILESTONES FOR THE PERIOD ENDED DECEMBER 31, 2024

CLI capped 2024 with record consolidated revenues of ₱19.5 billion, up 4% from the previous year. Property sales rose 5% to ₱17.3 billion, while recurring income surged by 50% to ₱467 million, fueled by a 74% revenue jump in its hospitality segment. Net income attributable to parent shareholders grew 8% to over ₱3.0 billion, supporting a ₱0.18 per share cash dividend, and continuing CLI's 15% CAGR in dividend payouts since its IPO.

CLI's residential offerings remained in high demand, achieving a 92% sell-out rate, with Casa Mira and the Garden Series contributing 87% of total sales. The company also grew its rental income by 45% to ₱162 million, driven by strong leasing uptake from global brands, and launched Citadines Bacolod City—its fourth hotel—with six more in the pipeline as it builds a 10-hotel portfolio to support its future REIT strategy.

Investor confidence remained strong, with ₱13.7 billion in housing loan takeouts and oversubscription of both preferred shares and sustainability-linked bonds. CLI was recognized for its ESG performance by the ATRAM SDG Fund, and is one of the 20 listed companies to be included in the fund for its notable sustainability initiatives.

In 2024, CLI received 5-Star BERDE Certification for its socialized housing project, Tipolo Residences built for 90 informal settler families in Mandaue City. The building was formally turned over to the LGU of Mandaue City in December 2024.

The year 2024 has been another banner year for CLI, marked by a string of prestigious accolades that reflect its industry leadership, commitment to sustainability, and dedication to corporate governance. CLI was honored with the Sustainability Rising Star Award at the Asia Corporate Excellence & Sustainability Awards (ACES), a recognition of its forward-thinking approach to sustainable development. The company's adherence to best practices in corporate governance was also lauded for the second consecutive year with a 2-Golden Arrow Award by the Institute of Corporate Directors, underscoring its transparency and accountability as a publicly listed company.

CLI's winning streak as the Top 10 Developers in the Philippines by BCI Asia for the seventh straight year reinforces its reliability and innovation in real estate development. Additionally, the company earned its fourth consecutive Best Developer in Mindanao title at the PropertyGuru Philippines Property Awards (PPA), a testament to its unwavering commitment to delivering masterful excellence in the south.

The 2024 Asia-Pacific Stevie Awards again recognized CLI and this time, as one of the Silver Stevie Winners for Innovative Achievement in Corporate Social Responsibility. This distinction represents the Company's unwavering dedication to sustainability and exceptional efforts in improving the environment and society at large.

In a study by Colliers, CLI retained its top position in the VisMin real estate market, accounting for a 19.3% share of the region's residential segment, an increase in market share from 16% the previous year.

Celebrating Masterful Project Excellence

CLI's developments have set new standards for design and functionality, earning widespread acclaim in the industry. Iyf Cebu City, an innovative co-living concept, was named Best Co-Living Space, while Velmiro Greens Bohol was recognized as the Best Housing Development in the Visayas by the PPA. Other standout projects include Casa Mira Towers Guadalupe, which took home the award for Best Affordable Condo Architectural Design, and Mirani Steps Danao, lauded as the Best Affordable Condo Development in Metro Cebu.

Several other projects received high commendations, including Velmiro Heights Consolacion and Casa Mira Homes Davao, highlighting the breadth of CLI's expertise across different market segments and locations. Projects such as The East Village at DGT in Davao and Casa Mira Homes Butuan (also a Silver awardee of The Outlook by Lamudi as Affordable Condominium of the Year) in Mindanao further demonstrate CLI's ability to adapt to regional demands while maintaining a high standard of quality.

A Customer-Centric & Community-Focused Organization

CLI's accolades extend beyond its projects, reflecting its overarching vision as a community-focused and customer-centric developer. The World Business Outlook Awards recognized CLI as the Leading Real Estate Company in the Philippines, the Most Customer-Centric and Community-Focused Organization, and the Leading Innovator in Real Estate Philippines. These awards affirm the company's dedication to addressing the needs of its stakeholders, from homebuyers to investors, while contributing to the overall growth of the communities it serves.

CLI's unwavering commitment to innovation and excellence underscores its continual strides towards becoming the premier developer in VisMin. Through dedicated efforts in refining strategies, embracing technological advancements, and fostering a culture of excellence, CLI remains resolutely positioned at the forefront of the region's development landscape. This dedication to surpassing benchmarks and setting new industry standards is ingrained in its ethos, driving its pursuit of becoming the unequivocal leader in the VisMin region's real estate development industry.

REVIEW ON THE COMPANY'S RESULTS OF OPERATION

January 1 to December 31, 2024 vs January 1 to December 31, 2023

In Million Pesos (₱)	Dec 2024	Dec 2023	Horizontal Analysis		Vertical Analysis	
	Audited	Audited	Increase (Decrease)			
		Restated	Amount	%	2025	2024
Revenue	18,647	18,818	(171)	-0.9%	100.0%	100.0%
Cost of Sales	(8,878)	(8,403)	(475)	5.7%	-47.9%	-45.1%
Gross Profit	9,770	10,416	(646)	-6.2%	52.8%	55.9%
Operating Expenses	(3,201)	(2,785)	(416)	14.9%	-17.3%	-14.9%
Other Operation Income	852	411	441	107.3%	4.6%	2.2%
Finance Costs	(2,188)	(2,357)	169	-7.2%	-11.8%	-12.6%
Other Gains/Losses ¹	(5)	(2)	(3)	148.4%	0.0%	0.0%
Profit Before Tax	5,228	5,683	(455)	-8.0%	28.2%	30.5%
Tax Benefit/ Expense	(1,230)	(1,847)	617	-33.4%	-6.6%	-9.9%
Net Profit	3,998	3,836	162	4.2%	21.6%	20.6%
Non-Controlling Interest	988	1,041	(53)	-5.1%	5.3%	5.6%
Parent Net Profit	3,010	2,795	215	7.7%	16.3%	15.0%

CLI delivered a stable performance in 2024, with revenues remaining largely steady at ₱18.65 billion, only slightly lower by 0.9% from ₱18.82 billion in 2023. This reflects the company's ability to maintain its revenue base, with the slight decline mainly due to the reclassification of certain lot sales to Other Operating Income.

Profitability remained strong, supported by a significant increase in Other Operating Income, which more than doubled to ₱852 million, partly driven by the same reclassification.

Overall earnings improved during the year, with Net Income rising by 4.2% to ₱4.00 billion, driven mainly by a lower tax provision. Net Profit attributable to Parent also grew by 7.7% to ₱3.01 billion, demonstrating CLI's continued ability to grow earnings and maintain solid financial performance.

REVENUES

Real estate sales recorded a 2% year-on-year decrease to ₱18.18 billion from ₱18.51 billion. The decline was mainly due to the reclassification of certain lot sales to Other Operating Income, which reduced the amount recognized under real estate sales during the period.

In terms of location, Cebu still is the strongest contributor of revenue which accounted for 46% of its overall figure. Mindanao and Visayas (excluding Cebu) contributed 30% and 21%, respectively. The increase in share in revenue outside Cebu were driven by new projects such as Casa Mira Homes Davao, Mindara Residences, East Village Residences, Casa Mira Towers Bacolod, Casa Mira Towers Palawan and Costa Mira Beach Panglao.

Revenue per market segment reported the following performance:

Premier Masters (Premier market) reported revenue of ₱2.93 billion, reflecting a decrease of 26% year-on-year from ₱4.69 billion. This decrease can be attributed to significant revenue qualifications in the previous year related to Costa Mira Beachtown Mactan, One Paragon Place, and One Astra, which are scheduled for turnover in 2025.

Garden Series (Mid-market), posted a revenue of ₱6.71 billion from ₱5.60 billion. The 20% growth was driven by The East Village, CLI's first residential project within the Davao Global Township (DGT), along with the addition of new towers, Mandtra Residences and Mindara Residences in Davao also with almost 546 of its units being sold out, amassing ₱2.50 billion in sales within the first week of its launch in 2023.

Casa Mira Series (Economic market) generated revenue from ₱8.13 billion to ₱5.90 billion, reflecting a 27% decrease. This decrease is primarily due to the substantial revenue recognized in the previous year from Casa Mira South 3A.2 and Casa Mira Towers Bacolod T1-T2.

The Company expects to grow real estate revenue contribution from projects newly launched during the period.

Leasing

The Company experienced a significant growth in rental revenues, reaching ₱162.41 million, representing a 45% year-on-year increase from ₱112.34 million. This growth can be attributed primarily to new retail tenants and increased occupancy revenue from already completed projects. Notably, by the end of the 2024, CLI has substantially expanded its Gross Leasable Area to 40,575 sq.m., marking a notable 13% rise from the previous quarter's 35,772 sq.m. This expansion is a direct result of the successful completion and turnover of Banilad Highstreet and Drive-Thru spaces in Davao Global Township, currently boasting full lease rates of 100%. Additionally, the completion of DGT Pavilion and DGT Retail Pads has contributed an additional GLA of over 4,000 sq.m. These developments stand as pivotal contributors to CLI's upward trajectory and burgeoning success in the market.

Hotel operations

The continued recovery of the hospitality sector in the VisMin regions provided opportunities for CLI to expand its presence in this segment. In 2024, CLI commenced operations of three additional hospitality assets: lyf Cebu City at Base Line Center, The Pad Co-Living in Banilad High Street, and Citadines Bacolod City.

Citadines Bacolod City, with 200 rooms, is CLI's first hotel development outside Cebu and is currently the largest internationally branded hotel in Bacolod. lyf Cebu City and The Pad Co-Living cater to specific market segments such as short- to medium-stay business travelers and long-term tenants. Including the existing Citadines Cebu City, CLI operated four hotels as of year-end 2024, with a total 640 room keys operational. A portion of the room inventory, particularly in newly opened hotels such as Citadines Bacolod City and The Pad, is still undergoing final fit-out and operational ramp-up.

Hotel operations generated revenues of ₱240.47 million for the full year 2024, a 74% increase from ₱138.55 million in the previous year. The increase is primarily attributable to the additional operational capacity brought about by the newly opened hotels.

CLI expects further growth in its hospitality business through the completion of Citadines Paragon Davao (263 rooms) and Radisson Red Cebu (144 rooms) by end-2025. In addition, six hotel projects remain under construction as of the reporting date. These developments are aligned with CLI's strategy to expand its recurring income portfolio.

Management Fee

This included the project management fee that CLI charges for being the project manager on joint venture projects and the property management fee for CLIPMI services provided to CLI's completed projects. During the year, the parent company's project management revenue reached ₱63.93 million, these are fees charged to CLI's joint venture companies for managing the development of the project.

COST AND EXPENSES

COST OF SALES AND SERVICES

In line with the growth in revenue performance, the Company's Cost of Sales and Services for the year ended December 31, 2024, was reported at ₱8.88 billion, 6% year-over-year increase from ₱8.40 billion of the same period last year as restated with the adoption of PFRS 15.

OPERATING EXPENSES

Total Operating Expenses during the period amounted to ₱3.20 billion, a 15% y-o-y increase from ₱2.78 billion of the same period in 2023. The significant increase in Operating Expenses was primarily driven by higher salaries and employee benefits due to headcount growth and enhanced compensation to support expanding operations, as well as increased taxes and licenses resulting from elevated real property taxes, permit fees, and regulatory costs tied to the company's active real estate development projects.

The Company carefully balanced its debt mix of 62% fixed and 38% floating rates. Due to this, CLI is able to maintain its competitive rate of 6.79% despite an increase in benchmark rates. The stated rate, while being higher than the previous year, is nonetheless competitive when compared to current capital raising rates charged in the sector.

On October 7, 2022, CLI listed its first tranche of ₱15.00 billion bonds worth ₱5.00 Billion with the following tenors:

Series A with a tenor of three and a half (3.5) years with a fixed rate of 6.4222%

Series B with a tenor of five and a half (5.5) years with a fixed rate of 6.9884%

Series C with a tenor of seven (7) years with a fixed rate of 7.3649%

The proceeds from the Bonds raised will extend the debt maturity of the Company and lock in rates to address any interest rate risk brought about by the challenging macro environment.

Recently, CLI successfully listed its follow-on offering of ₱4.28 billion from Series A preferred shares. Proceeds from this offering will primarily be used to support the company's expansion plans.

NET PROFIT ATTRIBUTABLE TO NON-CONTROLLING INTEREST (NCI)

For the year ended December 31, 2024, Net Profit attributable to NCI saw a decrease from ₱1.04 billion in 2023 to ₱988 million. This decrease is due to the majority of revenue-generating projects being CLI projects.

ADOPTION OF PFRS 15

The period as of December 31, 2024 as well as the adjusted December 31, 2023 financial performances adopts the new PFRS 15 “Revenue from Contracts with Customers” on Sale of residential Properties under Pre-Completion Contracts. The new standard requires that in determining the transaction price, an entity shall adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component.

There is no significant financing component if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference. Otherwise, there would have been a significant financing component when there is a difference between the percentage of completion (“POC”) of the real estate project and the right to the consideration based on the payment schedule stated in the contract.

Furthermore, the new standard provides guidance with the accounting treatment for borrowing costs. The International Financial Reporting Interpretations Committee concluded that any inventory (work-in-progress) for unsold units under construction that the entity recognizes is not a qualifying asset, as the asset is ready for its intended sale in its current condition (i.e., the developer intends to sell the partially constructed units as soon as it finds suitable customers and, in signing a contract with a customer, will transfer control of any work-in-progress relating to that unit to the customer). Accordingly, no borrowing costs can be capitalized on such unsold real estate inventories.

To ensure a fair comparison, it is crucial to use adjusted figures when analyzing financial performance before and after the adoption of new PFRS. This approach allows for a like-for-like comparison, adjusting for the substantial changes brought about by the new standard and ensuring accurate and meaningful analysis of financial results.

REVIEW OF THE COMPANY’S FINANCIAL POSITION

As of December 31, 2024, vs December 31, 2023

CLI’s balance sheet remains steady and healthy to support construction and expansion plans. As of December 31, 2024, CLI reported Total Assets of ₱109 billion, an increase of 9% from ₱100.45 billion as of December 31, 2023 restated figures driven by progress in construction from sold units.

ASSETS

73% increase in Cash and cash equivalents mainly from the proceeds obtained from loan availments and higher takeouts.

105% increase in Receivables (including non-current portion) increased from ₱2.25 billion to ₱4.61 billion is attributable to several real estate projects that reached 100% completion as at the end of the interim period. Under the Company’s policy, contract receivables are recognized or reclassified from contract assets, when the performance obligation is satisfied, and the entity has an unconditional right to payment, meaning the percentage of completion of the project is at 100%.

10% increase in Contract assets (including non-current portion) from ₱45.09 billion to ₱49.43 billion primarily due to installment contracts on existing and newly launched projects during the year that continue to recognize real estate sales revenue as construction progresses.

23% decrease in Real Estate Inventories from ₱17.06 billion to ₱13.08 billion mainly due to more inventory being sold and also a decrease in land development cost & raw land book value stemming from the application of PFRS 15 where capitalized interest is reversed on these items.

100% increase in Noncurrent Asset held for sale the 100% increase is attributed to CLI's intention to sell its 30% stake in CLI NUD, valued at ₱237,832,343 and is presented as a Non-current Asset Held for Sale in the 2024 condensed interim financial statements. The sale is expected to be in the second half of 2025. CLI NUD's assets are under the reportable segment of real estate.

451% increase in Investment in Joint Ventures and Associates from ₱142.49 million to ₱784.89 million significantly due to additional investments, primarily driven by additional investments in CLI NUD, with the intent to sell its 30% stake in the second half of 2025.

10% increase in Due from related parties Due to transactions paid by CLI (Parent) on behalf of its related parties from ₱48.60 million to ₱53.43 million.

14% increase in Prepayments and other current assets from ₱6.43 billion to ₱7.36 billion significantly due to increased advances to subcontractors.

27% increase in Property and equipment from ₱7.24 billion to ₱9.17 billion significantly due to the completion of new operational hotels such as Baseline Lyf.

3% decrease in Right of use asset from ₱1.13 billion to ₱1.09 billion due to amortization of high-value leasehold rights.

6% increase in Investment properties from ₱18.33 billion to ₱19.44 billion due to attributed to ongoing construction of recurring income generating projects

21% increase in Non-current assets from ₱1.79 billion to ₱2.16 billion due to increased current prepaid commissions

LIABILITIES

5% increase in Interest-bearing loans and borrowings (including non-current portion) from ₱47.14 billion to ₱49.58 billion reflects stability, coupled with the strategic decision to raise funds through preferred shares to support ongoing and future project developments.

6% decrease in Trade payables (including non-current portion) from ₱22.97 billion to ₱21.63 billion due to accruals made on unbilled costs to match with revenue recognized.

34% decrease in Contract liabilities from ₱449.34 million to ₱296.27 million mostly due to an increase in collections from buyers, but also due to the application of PFRS 15 where implied interest of collections is separated.

623% increase in Income tax payable from ₱2.21 million to ₱15.99 million due to the accrual of income tax due for the period.

15% increased Deferred tax liabilities – net from ₱5.02 billion to ₱5.75 billion due to additional accrual of Net Profit in 2024 recognized tax liability on taxable temporary differences.

EQUITY

19% increase in Parent Company's Retained Earnings from ₱9.75 billion in December 2023 with the impact of restatement with the adoption of PFRS 15 to ₱11.62 due to the Net Profit recognized during the period.

COMPANY MILESTONES FOR THE PERIOD ENDED DECEMBER 31, 2023

In 2023, CLI launched a total of ten projects valued at ₱18.7 billion in 2023. Part of the launch is the introduction of the Mirani brand addressing the needs of the lower-income segment, offering residences priced at around ₱1.90 million to ₱2.90 million. Another notable project launch is Mindara Residences in Davao with almost 546 of its units being sold out, amassing ₱2.50 billion in sales within the first week of its launch. CLI also introduced its first house and lot project in Davao, Casa Mira Homes Davao, which is now 95% sold out. Velmiro Heights – Consolacion Ph1, another CLI's mid-market product located in Northern Cebu was launched last December 2023. Velmiro Heights Consolacion Ph1, will have 378 units composed of a series of single detached models with lot areas ranging from 100 to 197 sq.m. The project sold 93% within days of being introduced to the market, indicating strong demand for such a project. Other project launches include Casa Mira Towers Mandaue T1, Mandtra T2, CMT Palawan T4, CMT Bacolod T4 and Costa Mira Panglao T3. This substantial fresh inventory, coupled with the continued high demand for the established Casa Mira brand, propelled CLI to achieve a record-breaking sales of ₱20.6 billion, up by 14% versus the same period in 2022.

Davao projects accounted for the majority of the sales with 40% of the total sales, Cebu with 30%, Bohol with 12%, Bacolod with 9% and Palawan with 7% while Dumaguete, Iloilo, Ormoc, and CDO contributed the remainder of the total sales.

In terms of market segment, Casa Mira - Economic brand led the market with 45% of total sales, primarily from Casa Mira Davao, Casa Mira Danao, and Casa Mira Towers in Palawan and Bacolod. To date, CLI has already sold out 93% of its inventory across all projects in various phases of development.

The Company has invested ₱12.89 billion in capital projects as of December 2023, 81.7% of which went towards project development, and 6% spent for land acquisition, CLI is expanding in Mindanao by most recently purchasing 21 has. in General Santos City, increasing its landbank to 107 has. with a total value of ₱9.70 billion. With this acquisition, CLI is serving the region's robust and consistent housing demand, being present in 16 key VisMin cities.

In October 2023, CLI entered into a partnership with NTTUDA, an international developer known for commercial properties, including office buildings, residences, and mixed-use developments in Southeast Asia. This JV is geared towards the development of premium-grade residential towers in the heart of Cebu City.

The Company expands its hospitality portfolio with the launch of The Pad and lyf Cebu in the final quarter of 2023. The opening of lyf Cebu with 159 rooms brings CLI's operational hotel count to three, following the launch of The Pad Co-Living with 258 rooms and Citadines Cebu City in 2019 with 180 rooms. Like the latter, lyf Cebu City is also operated by international hospitality group The Ascott Limited. This strengthens CLI's hospitality portfolio while signaling the company's confidence in VisMin's growing tourism sector.

In 2023, CLI also received various recognitions starting with the 5-Star BERDE Certification which was officially turned over by the Philippine Green Building Council, led by their CEO, Mr. Chris de la Cruz. Latitude Corporate Center is the FIRST 5-Star BERDE Certified Office Building in Cebu City, with its iconic design masterfully crafted for great businesses.

Furthermore, BCI Asia Philippines once again recognized the Company as one of the Top 10 Developers in the Philippines for 2023, making this the sixth year in a row that it has won. This acknowledgment reinforces the Company's dedication to delivering creative and sustainable developments.

The 2023 Asia-Pacific Stevie Awards have also recognized CLI as one of the Bronze Stevie Winners for Innovative Achievement in Corporate Social Responsibility. This distinction represents the Company's unwavering dedication to sustainability and exceptional efforts in improving the environment and society at large.

Lastly, on September 28, 2023, CLI was awarded 2 Golden Arrows by the Institute of Corporate Directors (“ICD”). Companies with exemplary corporate governance were honored in the 2023 ACGS and CGS Golden Arrow Recognition, carried out by the ICD at Okada Manila Hotel.

CLI’s unwavering commitment to innovation and excellence underscores its continual strides towards becoming the premier developer in VisMin. Through dedicated efforts in refining strategies, embracing technological advancements, and fostering a culture of excellence, CLI remains resolutely positioned at the forefront of the region’s development landscape. This dedication to surpassing benchmarks and setting new industry standards is ingrained in its ethos, driving its pursuit of becoming the unequivocal leader in the VisMin region’s real estate development industry.

REVIEW ON THE COMPANY’S RESULTS OF OPERATION

January 1 to December 31, 2023 vs. January 1 to December 31, 2022

In 2023, CLI delivered strong financial results, with consolidated net income reaching ₱3.84 billion based on restated figures following the adoption of PFRS 15. This represents a notable 24% year-on-year increase from the restated ₱3.10 billion in the previous period. Net income attributable to the parent also posted solid growth of 4%, rising to ₱2.79 billion from ₱2.69 billion year-on-year. The earnings improvement was driven by CLI’s sustained strength across all revenue streams, resulting in a 20% increase in consolidated revenues to ₱18.82 billion from ₱15.66 billion. This growth was underpinned by higher construction progress and increased sales take-up.

REVENUES

Real estate sales

Real estate sales recorded a significant 20% y-o-y increase in revenue to ₱18.51 billion from ₱15.44 billion. Higher construction progress and more units that qualified for revenue recognition were the causes of the reported improvement.

In terms of location, Cebu still is the strongest contributor of revenue which accounted for 43% of its overall figure. Visayas (ex-Cebu) and Mindanao contributed 26% and 24%, respectively. The increase in share in revenue outside Cebu was driven by new projects such as East Village Residences, Casa Mira Towers Bacolod, Casa Mira Towers Palawan, and Costa Mira Beach Panglao.

Revenue per Market segment reported the following performance:

Premier Masters (Premier market) recorded revenue of ₱ 4.69 billion, an increase of 23% y-o-y from ₱3.83 billion mainly driven by the new revenue qualifications from Costa Mira Beachtown Mactan and Panglao, Calle 104, Citadines Paragon, and One Paragon Place.

Garden Series (Mid-market), likewise grew 35% y-o-y from ₱4.16 billion to ₱5.60 billion. The increase was steered by The East Village, the first residential project of CLI’s Davao Global Township (“DGT”) and Mandtra Residences in Cebu.

Casa Mira Series (Economic market) reported a stable revenue of ₱8.13 billion, driven by Casa Mira Towers Bacolod T1-T2, Casa Mira South Ph3A2, Casa Mira Homes Davao, Casa Mira Towers Guadalupe T3, Casa Mira Homes Ormoc, Casa Mira Homes Danao and Casa Mira Towers Palawan.

The Company expects to grow real estate revenue contribution from projects newly launched during the period.

Leasing

The company experienced a substantial growth in rental revenues, reaching ₱112.34 million, a notable 42% y-o-y surge from ₱79.27 million. This upturn was predominantly driven by a blend of augmented lease rates and the revenue influx from recently completed projects. Notably, for the year 2023, CLI has significantly expanded its GLA to 35,772 sq. m., marking a remarkable 19% increase from the previous quarter's 30,006 sq.m. This surge is attributed to the successful turnover of Banilad Highstreet and Drive-Thru spaces in DGT, currently boasting impressive lease rates of 72% and 100%, respectively. These developments stand as pivotal contributors to CLI's upward trajectory and burgeoning success in the market.

Hotel operations

The resurgence in the travel and leisure sector served as a powerful catalyst for CLI's hotel operations, resulting in a remarkable upsurge in revenue. Notably, the hotel operations soared to generate ₱138.55 million, a striking leap from ₱83.42 million during the same period in the previous year, marking a robust 66% growth. This impressive increase was primarily fueled by a surge in bookings and elevated room rates, particularly evident in Citadines Cebu City.

In the last quarter of 2023, the Company turned over a portion of rooms from The Pad and Baseline Lyf. This move significantly bolstered the hotel's keys, escalating from 180 to 338. The remaining hotel keys of The Pad and Baseline Lyf are scheduled for completion in the first quarter of 2024, promising a substantial increase in revenue for the hotel operations in the following year. Furthermore, with seven additional hotels currently under construction, CLI is strategically positioning itself to further capitalize on the burgeoning opportunities within the hospitality sector.

Property Management

This included the project management fee that CLI charges for being the project manager on JV projects and the property management fee for CLI Property Management (CLIPMI) services provided to CLI's completed projects. During the year, the parent company's project management revenue reached ₱172.90 million, these are fees charged to CLI's JV companies for managing the development of the project. On the other hand, property management fees increased by 7% to ₱59.22 million, from ₱55.47 million in the same period last year, reflecting an increase in managed projects by the property arm.

COST OF SALES AND SERVICES

In line with the growth in revenue performance, the Company's cost of sales for the year ended December 31, 2023, amounted to ₱8.40 billion, reflecting a 7% year-on-year increase from the restated ₱7.84 billion in 2022. Both figures are based on restated values following the adoption of PFRS 15.

OPERATING EXPENSES

Total operating expenses during the year amounted to ₱2.78 billion, an 18% y-o-y increase from ₱2.37 billion of the same period in 2022. The increase was mainly driven by commissions and incentives which grew by 30% to ₱742.53 million in line with the increase in revenue from real estate sales and robust sales performance during the period.

The Company carefully balanced its debt mix of 65% fixed and 35% floating rates. Due to this, CLI is able to maintain its competitive rate of 6.36% despite an increase in benchmark rates. The stated rate, while being higher than the previous year, is nonetheless competitive when compared to current capital raising rates charged in the sector.

On October 7, 2022, CLI issued its inaugural fixed rate bonds with a total issue size of ₱5.00 billion across the following tenors:

- Series A with a tenor of 3.5 years with a fixed rate of 6.4222%
- Series B with a tenor of 5.5 years with a fixed rate of 6.9884%
- Series C with a tenor of 7 years with a fixed rate of 7.3649%.

The foregoing bonds comprised the first tranche of CLI's ₱15.00 billion shelf program for bonds. The purpose of the 2022 bonds was to raise funds to extend the debt maturity of the company and lock in rates to address any interest rate risk brought about by the challenging macro environment.

NIAT ATTRIBUTABLE TO NCI

For the year ended December 31, 2023, net income attributable to non-controlling interests (NCI) significantly increased to ₱1,040.71 million, compared to the restated ₱413.00 million in 2022. Both figures are based on restated values following the adoption of PFRS 15. The strong growth was primarily driven by increasing contributions from new joint venture projects, including The East Village T1–T4 (YHEST) in Davao, Calle 104 T1–T2 (BL RAMOS) in Cebu, and Costa Mira Beachtown Panglao in Bohol.

REVIEW OF THE COMPANY'S FINANCIAL CONDITION

As of December 31, 2023 vs December 31, 2022

CLI's balance sheet remains strong and healthy to support construction and expansion plans. As of December 31, 2023, CLI restated total assets of ₱100.45 billion, an increase of 20% from the restated ₱83.92 billion as of December 31, 2022 driven by progress in construction from sold units.

ASSETS

36% decrease in Cash and Cash equivalents due to payments on loans such as Retail Bonds, Corporate Notes 1, and Project Term Loans as well as other payables to contractors and suppliers.

39% decrease in Receivables (including Non-Current Portion) declined from ₱3.68 billion to ₱2.25 billion due to collections from completed projects.

41% increase in Contract Assets (including Non-Current Portion) increased to ₱45.09 billion from ₱31.98 billion mainly from installment contracts on existing and newly launched projects during the year that continue to recognize real estate sales revenue as construction progresses.

1% decrease in Real Estate Inventory decreased to ₱17.06 billion from ₱17.19 billion mainly due to increased building cost, new land acquisitions, and higher construction progress of the Company's projects.

88% decrease in Deposit on Land for Future Development declined from ₱130.00 million to ₱15.00 million mainly due to the transfer to raw land inventory.

36% increase in Due from Related Parties increased to ₱48.60 million from ₱35.80 million due to transactions paid by CLI (Parent) on behalf of its related parties.

30% increase in Prepayments and Other Current Assets increased to ₱6.43 billion from ₱4.97 billion due to advances to subcontractors and suppliers on newly awarded projects. Prior year figure was restated due to reclassification of certain deferred commissions as part of Prepayments and Other Current Assets to Other Non-current Assets account due to its expected recognition as expense in the succeeding years

50% increase in Property and Equipment increased to ₱7.24 billion from ₱4.81 billion due to the construction of new offices and branches to support CLI's expanding developments.

3% decrease in Right of Use Asset declined from ₱1.17 billion to ₱1.13 billion due to amortization of high-value leasehold rights.

3% increase in Investment Properties increased to ₱18.33 billion from ₱17.75 billion attributed to ongoing construction of recurring income generating projects such as Masters Tower, Abaca Resort, Astra Corporate Center, and DGT.

176% increase in Other Non-Current Assets increased from ₱1,141 million restated amount to ₱1,790 million due to increase in advances to contractors.

LIABILITIES

18% increase in Interest-Bearing Loans and Borrowings (including Non-Current Portion) Increased to ₱47.14 billion from ₱39.99 billion due to new availments from project term loans.

21% Increase in Trade Payables (including Non-Current Portion) increased to ₱22.97 billion from ₱19.04 billion due to accruals made on unbilled costs to match with revenue recognized.

25% decrease in Contract Liabilities decreased from ₱598.36 million to ₱449.34 million due to an increase in collections from buyers coming from new project launches that are ahead of the stage of completion.

39% decrease in Income Tax Payable decreased to ₱2.21 million from ₱3.65 million due to the accrual of income tax due for the period.

46% increase in Deferred Tax Liabilities - Net increased to ₱5.02 billion from ₱3.45 billion due to additional recognized tax liability on taxable temporary differences.

EQUITY

9% increase in Parent Company's Retained Earnings increased to ₱23.45 billion from the restated ₱19.48 billion, primarily due to net income recognized during the period, following the adoption of PFRS 15.

2022 COMPANY MILESTONES

CLI is the leading RED in Visayas and Mindanao currently located in 16 key cities.

In 2022, CLI continued to launch projects to strengthen its market leadership in Visayas and Mindanao.

During the same year, it unveiled more of its mid and premier series as the economy gradually reopens. Sixteen projects were successfully launched and substantially sold out driving up the Company's reservations sales namely:

- a. Astra Corporate Center
- b. Casa Mira Dumaguete Ph2
- c. The East Village T1
- d. The East Village T2
- e. The East Village T3
- f. Velmiro Bohol Expansion Ph2
- g. Casa Mira South 4B.2
- h. The East Village T4
- i. DGT Lots Only
- j. Casa Mira Towers Palawan Ph1 (T1-T2)

- k. Ramos Tower at Calle 104
- l. The Ranudo Tower at Calle 104
- m. Casa Mira Homes | Danao
- n. Costa Mira Bohol
- o. Casa Mira Towers Bacolod T3
- p. Casa Mira Towers Palawan T3

CLI recorded a 14% hike in reservation sales y-o-y to ₱18.80 billion driven by a robust VisMin market. A high 73% of total sales were from newly launched developments with the rest coming from persistent demand for on-going projects.

The Company launched close to 5,000 units in 16 projects worth ₱28.40 billion in 2022 and were 74% sold by the end of the year. Sales velocity of these launches hit peak levels with most developments fully taken up within days.

CLI started the year with strong reservation sales by selling out all three towers of the first residential development in DGT in four days, generating a record ₱4.07 billion in sales. This validates DGT as the most anticipated premier township in Davao.

The first among many launches in 2022, the East Village at DGT is the first residential development in the township with over 2,000 residential unit offerings spread across the 6-tower vertical village. The newly launched and sold-out three towers with a total of 1,087 units are scheduled for completion in Q3 2026.

Part of DGT's Phase 1 is the ₱700.00 million lifestyle mall called the DGT City Center that will be a landmark destination presenting an array of retail, restaurant and entertainment choices. It will feature dynamic, al fresco spaces, and lush indoor gardens offering worry-free strolling and shopping. To complement this is the ₱200.00 million DGT Cultural Center with showrooms, museum spaces, a theater, and function room which can hold up to 250 people.

In May 2022, CLI accelerated its expansion to Eastern Visayas with the launch of Casa Mira Homes Ormoc, a 685-unit subdivision project on a 9-ha. property. Casa Mira Homes Ormoc, to be completed in 2023, is the 11th Casa Mira development in VisMin.

On June 20, 2022, CLI disclosed the approval of its Board of Directors of the offer and issuance of peso-denominated fixed rate bonds with a principal amount of up to ₱5.00 billion and an oversubscription option of up to ₱3.00 billion (the "**Bonds**"). The Bonds are part of the up to ₱15.00 billion fixed rate bonds to be applied by the Company for shelf registration.

CLI intended to use the proceeds from the Bonds to support its growth plans, primarily by investing in markets where CLI's initial foray has exceeded expectations and continuing its strategic land banking activities.

Also in June 2022, during its 2022 Annual Stockholders Meeting, the Company set out its expansion plans, among the focal points are three townships now under development. On the road to creating a critical mass of residents is the 22-ha. DGT sold out in four days the first three towers of its first residential project The East Village at DGT. This prompted the launch of the fourth tower. Planning and development are likewise underway on the 14.3-ha. property in Cagayan de Oro acquired from Xavier University and envisioned to be a mixed-use university town. Reclamation works have also begun on the 100-ha. Minglanilla Techno Business Park in Cebu which is envisioned to be a regional growth center.

As part of the Company's commitment to provide quality and sustainable in-city vertical socialized housing, CLI turned over on June 29, 2022 the ₱115.00 million medium-rise building donated for the people of Cebu City. After less than 12 months of construction, 100 informal settler families now have a decent shelter. Walk-Up Sugbo 1 is a joint collaboration between CLI, the Cebu City Government, and the DHSUD and is designed to provide quality transition housing for informal settlers living in danger zones. It is the first of its kind of socialized housing development in VisMin and is one of the most generously appointed socialized housing buildings in the country.

At the same time, CLI, together with the Mandaue City Government and the DHSUD, signed an agreement and broke ground on the ₱100.00 million Tipolo Residences Building 4, a mid-rise socialized housing for the informal settlers and 2019 fire victims of Barangay Tipolo. Ninety identified beneficiaries joined the momentous occasion and shared their excitement for their future homes.

On July 19, 2022, Philippine Rating Services Corporation (“**PhilRatings**”) assigned an Issue Credit Rating of PRS Aa plus, with a Stable Outlook, for CLI’s proposed bond issuance. This is the initial tranche of the Company’s new three-year Shelf Registration program amounting to ₱15.00 billion.

PhilRatings has also upgraded the Issue Credit Rating for CLI’s outstanding Series A to C Corporate Notes worth ₱5.00 billion to PRS Aa plus, with a Stable Outlook, from PRS Aa.

On July 23, 2022, DGT was formally inaugurated, completing site development in just two years. After only two years of site development, YHEST Realty Development Corp., a JV between CLI and the Yuson, Huang, and Tan families of the prominent Villa-Abrile clan of Davao, officially inaugurated the 23-ha. DGT is envisioned to be Mindanao’s most sustainable central business district. It also started to offer 27 township commercial lots for sale after completing the utilities and road networks of the property. The commercial lots for sale have a total area of 47,194 sq.m. and lot sizes range from 1,054 sq.m. to 3,446 sq.m.

DGT Phase 1 includes the township’s first residential development The East Village at DGT, a commercial area and lifestyle mall DGT City Center (opening early 2024), and DGT Cultural Center (opening 2024).

In August 2022, the Company purchased a 17-ha. expansion site in Butuan City. This acquisition brought up the Company’s total landbank to 116 has.

In September 2022, CLI sold out Calle 104, a two-tower upscale residential project in record three days. The sales of the ₱2.40 billion for Calle 104, which straddles Ramos and Ranudo Streets, is a popular address of prominent families in Cebu. The high-end project in Cebu is CLI’s eighth launch in 2022 across VisMin. Calle 104 is a JV project of CLI and Borromeo Brothers Estate, Inc. under Cebu BLRamos Ventures Inc. The upscale mixed-use development designed by Casas + Architects to be completed in Q4 2026 has two distinct towers connected by a retail podium with a gross floor area of 5,000 sq.m. of lifestyle options including restaurants, clothing, and essentials. A 2,300 sq.m. supermarket is located in the basement for the convenience of residents.

On September 22, 2022, CLI finalized the issue size of its maiden fixed rate Bonds offering, with an aggregate principal amount of ₱5.00 billion across three tenors. This initial issuance is the first from CLI’s shelf registration of a ₱15.00 billion debt securities program to be utilized within three years. In a strong show of confidence in CLI, the Company’s maiden retail bonds received strong demand from both institutional and retail investors, even as CLI priced at the lowest end of the initial spread range. Interest rates have been set for the 3.5Y Series A at 6.4222%, for the 5.5Y Series B at 6.9884%, and for the 7Y Series C at 7.3649%. The Company received its Permit to Sell from the SEC for its maiden retail bond Issuance on September 27, 2022.

On September 29, 2022, disclosed that in its first foray in Palawan, CLI sold in less than one week 85% of the first phase of an economic housing project in Puerto Princesa. Projected gross revenues from this seven-tower development is pegged at ₱6.00 billion, with phase one set for completion in Q4 2025. The first venture in Palawan was a success. It showed that there is indeed a broader market for the bestselling housing brand Casa Mira beyond VisMin, and that the CLI is gaining traction in new areas of expansion.

On October 7, 2022, CLI successfully listed its first fixed-rate bond offering at the PDEX. BPI Capital and Chinabank Capital have been appointed as joint issue managers, joint lead underwriters, and joint bookrunners. PNB Capital, RCBC Capital, and SB Capital Investment Corporation are co-lead underwriters.

CLI dominated the 10th PropertyGuru PPA bagging 12 accolades including the Best Developer (Visayas) and Best Developer (Mindanao) awards presented in an exclusive gala event. CLI was also given Special Recognition in ESG and in Sustainable Design and Construction.

List of Winners:

- Abaca Resort Mactan, Best Resort Development
- Costa Mira Beachtown Mactan, Best Waterfront Condo Development
- The East Village, Best Condo Development (Mindanao) and Best Condo Architectural Design
- Sofitel Cebu City, Best Hotel Architectural Design
- Terranza Residences, Best Condo Development (Visayas)

Highly Recommended:

- Astra Centre, Best Mixed-Use Development
- Sofitel Cebu City, Best Hotel Development

CLI, together with the Cebu City Government, officially opened a new F. Ramos Extension access road to vehicular traffic starting October 19, 2022.

The 200-meter F. Ramos Ext. access road provides a direct link between MP Yap and Llorente streets and provides an alternative access to and from Juana Osmena St. via Base Line Drive. This will help improve traffic flow and provide the community with an easier route to business establishments and lifestyle destinations around the area.

On October 28, 2022, CLI introduced a new immersive mountain resort in Balamban, Cebu. CLI further expands its growing leisure and hospitality portfolio with the 21 ha MagsPeak Mountain Resort and Villas. The 21-ha mountain estate in Magsaysay Peak in Balamban, Cebu, with an elevation of 800 meters is a JV between CLI and MagsPeak composed of Cebuano businessman and fellow Caminoans, Bob Gothong, Segundino Selma Jr., Richard Ray King, and Douglas Gacasan. It is designed to create a holistic mountain experience for Cebu with an outdoor, religious, and hospitality component, built with sustainability at its core. MagsPeak's offers a unique hospitality experience managed by CLI's Hospitality arm, CLI Hotels & Resorts. Opening in 2025, the resort comprises 13 exclusive mountain villas and 20 hotel rooms highlighting views of the Balamban mountain landscape and the western Cebu seascape. Guest stays will further be enhanced with a clubhouse, heated infinity pools, and a farm-to table restaurant. With sustainability integral to its development, MagsPeak showcases eco-friendly initiatives and outdoor programs such as hiking trails, camping facilities, and other child-friendly activities surrounded by nature.

With the Company's stellar performance and proven execution capability to adapt to the new normal surpassing pre-pandemic growth and income levels, the Board deemed it fit to declare a regular and special cash dividend of ₱0.15 and ₱0.03 per share on March 20, 2023 with a total estimated amount of ₱623.00 million, a 21% increase from the ₱520.00 million paid to stockholders last year. The recently declared dividends had a record date of April 18, 2023 and were paid on April 28, 2023.

REVIEW ON THE COMPANY'S RESULTS OF OPERATION

FY 2022 vs FY 2021

Increased to ₱23.45 billion from ₱19.48 billion, with the 2022 figure restated following the adoption of PFRS 15. The growth was primarily driven by net income recognized during the period.

REVENUES

CLI's topline grew significantly by 40% to ₱15.66 billion from 2021's ₱11.16 billion driven by significant construction accomplishments coupled by robust sales and collections, which have further resulted in a ₱29.00 billion or 17% increase in unrecognized revenue for future recognition.

Real estate sales

Revenue from the sale of real estate recorded a 40% growth y-o-y to ₱15.44 billion from ₱11.00 billion in 2021. The high growth was driven by significant construction progress and more accounts qualifying for revenue recognition from continued collections. By the end of the year, construction was in full swing across all project sites in 16 key cities in VisMin with catch-up measures in place to compensate for delays caused by quarantine restrictions.

Casa Mira accounted for the largest share of revenues at 47%, followed by the Garden series with 27%, and Premier Masters with 24%. The mix of revenue recorded during the year was brought about by the strong Casa Mira sales during the height of the pandemic in 2020. In terms of location, CLI's operations in Cebu remain outstanding, representing 42% of the total revenues, with Davao following at 19%, Iloilo at 12%, and CDO contributing 10%.

Premier Masters (Premier market), at ₱3.80 billion, increased by 47% y-o-y from ₱2.60 billion driven by the new revenue qualifications and accomplishments from Terranza residences in Iloilo and Costa Mira Beach in Mactan.

Garden Series (Mid-market), at ₱4.20 billion, higher by 30% y-o-y from ₱3.20 billion, the biggest contributor was The East Village, the first residential project of CLI's DGT.

Casa Mira Series (Economic market), at ₱7.36 billion, grew by 43% y-o-y from ₱5.16 billion, driven by Casa Mira Ormoc, Casa Mira Homes Dumaguete and Casa Mira LPU in Davao.

In Q4 2022, the Company recorded a total consolidated revenue of ₱4.69 billion, a 34% increase versus the ₱3.50 billion in Q4 2021 and is also 34% higher quarter on quarter ("**q-o-q**") from the ₱3.51 billion that was reported on Q3 2022. The strong performance during the fourth quarter was driven by the increase in real estate revenue due as construction is now in full swing in the various development sites of the company.

Hotel operations

Launched on September 14, 2019, Citadines Cebu City posted ₱83.42 million for the period ending December 31, 2022. Hotel revenue grew significantly by 71% with the reopening of local and international borders, reviving trade, and tourism.

Leasing

CLI's rental revenues improved by 7% posting ₱79.28 million in 2022 from ₱74.27 million in 2021. Growth driven by increased lease contracts and new tenants in the newly completed Latitude Corporate

Center. GLA decreased to 29,085 sq.m. from 29,133 sq.m due to conversion to office space (CLI's office expansion). As of December 31, 2022, rental occupancy rate is at 48%, an increase from 41% as of December 31, 2021.

Property Management

Revenue from property management fees is at ₱55.47 million, a 29% y-o-y increase from ₱42.97 million mainly from continuous turn-over of completed projects during the year — Casa Mira South Phase 1 and 2, Casa Mira Coast, Velmiro Uptown CDO, and Casa Mira Bacolod.

COST OF SALES AND SERVICES

With the adoption of PFRS 15, the Company's cost of sales for the period ended December 31, 2022 was restated to ₱7.87 billion from the originally reported ₱8.37 billion, representing a 32% increase from ₱5.97 billion in the previous year, in line with the growth in revenue.

OPERATING EXPENSES

Total operating expenses during the year amounted to ₱2.37 billion, a 21% y-o-y increase from ₱1.95 billion mainly due to the increase in accounted commissions and incentives to ₱847.16 million caused by the implementation of PFRS 15, which required the accrual of the said commissions and incentives.

Salaries and employee benefits also grew by 20% to ₱532.69 million which aligns with the increase in the Group's manpower to 801 employees from 691 employees to support CLI's expansions across VisMin. During the year, the Company also spent ₱122.00 million in costs attributable to the purchase of the 17 hectares expansion site in Butuan.

INTEREST EXPENSE

During the year, borrowing costs amounted to ₱811.68 million with a higher average borrowing rate of 6.07%, an increase from the cost of borrowing reported in 2021 of 4.77%. The borrowing cost represents the interest on bank loans and corporate notes to fund the Company's project developments that are recognized as period costs and expenses.

REVIEW OF THE COMPANY'S FINANCIAL CONDITION

As of December 31, 2022 vs December 31, 2021

CLI's balance sheet remained solid and healthy to support construction and expansion plans. As of December 31, 2022, CLI's restated consolidated assets stood at ₱83.92 billion, a 26% y-o-y growth from ₱66.65 billion driven by the increase in contract assets, real estate inventories, and investment properties.

ASSETS

31% increase in Cash and Cash equivalents increased to ₱1.45 billion from ₱1.10 billion largely due to collections and higher take-outs deposited under Short-term placements.

39% decrease in Accounts receivable (including Non-Current Portion) decreased to ₱3.68 billion from ₱6.01 billion mainly due to collections from completed projects.

58% increase in Contract Assets (including Non-Current Portion) increased to ₱31.98 billion from ₱20.29 billion mainly from installment contracts on existing and newly launched projects during the year that continue to recognize real estate sales revenue as construction progresses.

8% decrease in Real Estate Inventory

The balance decreased to ₱17.37 billion as restated, from the originally reported ₱18.31 billion, and compared to ₱18.71 billion in the prior year. The decline was mainly due to lower land development costs and reduced raw land inventory. The restatement reflects the adoption of PFRS 15, which requires recognizing costs based on project progress, resulting in a lower reported amount.

100% increase in Deposits on Land for Future Development (including Non-Current Portion) Increased to ₱130.00 million and none from 2021 since fully paid land purchases were reclassified to raw land inventory amounting to ₱1.08 billion.

38% decrease in Due from Related Parties transactions paid by the Parent Company on behalf of its related parties decreased to ₱35.80 million from ₱57.43 million mainly from collections on subsidiary and affiliate businesses.

21% increase in Prepayments and Other Current Assets increased to ₱4.97 billion as restated from ₱4.11 billion coming from downpayments and advances to suppliers and subcontractors; prepaid commissions, and related input VAT on construction materials purchased.

1% decrease in Investments in Associates decreased to ₱133.56 million from ₱135.06 million mainly from the additional investment in Magspeak in 2021 amounting to ₱24.25 million. In 2022, only ₱8.00 million additional investment to ICOM.

426% increase in Property and Equipment – Net increased to ₱4.81 billion from ₱915.67 million mainly from the reclassification of investment property.

34% increase in Investment Properties – Net increased to ₱17.75 billion from ₱13.24 billion attributed to ongoing construction of investment properties, which include hospitality and commercial assets.

1% increase in Right-of-Use Asset and 10% increase in Lease Liabilities right-of-use asset and lease liability increased to ₱1.17 billion and ₱1.15 billion, respectively, with recognition of the high-value leasehold rights acquired on the 43-year land lease for Cebu Business Park Office and Patria during the year.

LIABILITIES

25% increase in Interest-Bearing Loans and Borrowings (including Non-Current Portion) increased to ₱39.99 billion from ₱32.02 billion mainly from new bank loans availed including proceeds from bonds issuance.

49% increase in Trade and other payables (including non-current portion) increased to ₱19.04 billion from ₱12.82 billion mainly represent accrued cost of sales to match revenue recognition, outstanding obligations to owners of parcels of land acquired, subcontractors, and suppliers of construction materials.

68% increase in Deferred Tax Liabilities increased to ₱3.44 billion stated from ₱2.05 billion prior year due to additional recognized tax liability on taxable temporary differences.

EQUITY

0% increase in Additional Paid-In Capital increase of ₱2.00 million due to the exercise of ESOP, the Company issued 3,349,470 common shares with a par value of ₱1.00 or ₱3,349,470 to its qualified employees out of its treasury shares and recognized an additional paid-in capital amounting to ₱18.32 million from the transaction.

2% decrease in Treasury Shares decreased to ₱732.66 million from ₱748.17 million. In 2022, the Parent Company issued to its qualified officers 3,349,470 common shares out of its treasury shares in relation to the ESOP.

3% Increase in Revaluation Reserves increased to ₱13.91 million from ₱13.48 million due to increase in estimated loss on remeasurement of post-employment defined benefit obligation.

5% increase in NCI increased to ₱7.41 billion as restated from ₱7.09 billion in prior year significantly from increased share in net profit in 2022 by ₱379.07 million.

Increased to ₱7.41 billion as restated from ₱7.09 billion in the prior year, primarily due to a significant rise in the Company's share in net profit in 2022 amounting to ₱379.07 million.

FY 2020 vs. FY 2019

For the period ending December 31, 2020, the Company's NIAT was at ₱1.85 billion, a slight decline of 8% y-o-y from ₱2.01 billion. The decline in the Company's bottom line numbers was due to the stringent lockdown measures imposed by the government during the period. This translates to an EPS of ₱1.15.

CLI bounced back and posted a strong financial growth as restrictions eased during the second half of 2020. The Company's consolidated NIAT during the second half of the year was at ₱1.16 billion, 26% higher as compared to the first half. CLI's NIAT during the second half of 2020, on the other hand, was at ₱1.05 billion, 33% higher than the first half.

REVENUES

For the period ending December 31, 2020, CLI generated consolidated revenue of ₱8.30 billion, a slight decline of 2% y-o-y from ₱8.50 billion. In the fourth quarter of the period, consolidated revenue registered at ₱2.59 billion, 18% growth from ₱2.20 billion in the third quarter of 2020, as travel restrictions ease and as operations and construction recuperate.

Real estate sales

Revenue from sale of real estate reached ₱8.15 billion, a 3% y-o-y slight decline from ₱8.39 billion in 2019, driven by Garden Series (36%), followed by Casa Mira Series (32%) and Premier Masters (27%).

In the same period of 2019, Garden Series generated 37% of the total revenues, followed by Casa Mira (30%) and Premier Masters (30%). In terms of location, CLI's presence in Cebu remains strong, representing 52% of the total revenues, followed by CDO (16%) and Bacolod (11%), for both periods ending December 31, 2020.

Premier Masters (Premier market), at ₱2.22 billion, declined by 13% y-o-y from ₱2.54 billion, with the construction slowdown of 38 Park Avenue due to the pandemic.

Garden Series (Mid-market), at ₱2.99 billion, slightly declined by 6% y-o-y from ₱3.12 billion, driven by Mivela Garden Residences, Velmiro Plains Bacolod, and the recently launched, Velmiro Greens Bohol.

Casa Mira Series (Economic market), at ₱2.67 billion, grew by 6% y-o-y from ₱2.51 billion, mainly from newly launched projects during the year: Casa Mira Iloilo and Casa Mira South Phase 3B.

During the second half of 2020, CLI posted a 38% growth as compared to the first half. The robust growth was driven by the easement of quarantine across VisMin sites increasing construction efficiency to 90% from 70% in the second quarter. Collections on the other hand has also improved with more accounts qualifying for revenue recognition in the last two quarters.

Hotel operations

Launched on September 14, 2019, Citadines Cebu City posted ₱54.56 million for the period ending December 31, 2020. With hotel revenues driven from BPO companies that housed their employees during the lockdown.

Leasing

The Company offered rental concessions and holidays to support local businesses during lockdown decreasing its rental revenue by 13% y-o-y to ₱55.24 million from ₱63.16 million. GLA increases by 2% y-o-y to 14,536 sq.m. from 14,296 sq.m. with the completion of retail spaces in residential projects. As of December 31, 2020, rental occupancy rate is at 79%, a minor decline from 82% as of December 31, 2019.

Property Management

Revenue from property management fees is at ₱42.59 million, 16% y-o-y increase from ₱36.84 million mainly from continuous turn-over of completed projects during the year – Casa Mira South Phase 1 and 2, MesaVerte Residences, and Mivesa Garden Residences Phase 3.

COST OF SALES

The Company's cost of sales for the period ended December 31, 2020 was at ₱4.28 billion, from ₱4.30 billion in line with the slim decrease in revenue.

OPERATING EXPENSES

Total operating expenses during the period amounted to ₱1.27 billion, 11% y-o-y increase from ₱1.15 billion mainly from an increase in commissions and incentives to ₱429.73 million with the implementation of PFRS 15. Salaries and employee benefits also grew by 18% to ₱367.04 million due to an increase in the Group's manpower to 574 employees from 475 employees to support CLI's expansions across VisMin. Despite the digitalization of the Company's sales and marketing, other operating expenses likewise increased as the Company implemented and heightened safety and health protocols in the workplace.

INTEREST EXPENSE

During the year, borrowing costs amounted to ₱460.13 million with average borrowing rate of 4.96% representing the costs on bank loans and corporate notes to fund the Company's project developments. This includes the ₱8.00 billion corporate notes issued during the year.

OTHER INCOME/ EXPENSE

The company's other operating income likewise increased to ₱68.60 million from ₱53.13 million due an increase in administrative fees charged to the customers. During the year, the company has also recognized a decline in other gains and losses from ₱120.12 million to ₱38.00 million due to the booked forex loss on the settlement of payables denominated in foreign currency.

NIAT ATTRIBUTABLE TO NCI

For the period ended December 31, 2020, NIAT attributable to NCI stood at ₱229.61 million, 46% y-o-y decline from ₱425.65 million, due to the minimal incremental sales and POC on existing JV projects due to the completion and ongoing turn-over of Mivesa Garden Residences Phase 3 (MGR) and Latitude Corporate Center (BLCBP).

As of December 31, 2020 vs. December 31, 2019

CLI's balance sheet remained solid and healthy to support construction and expansion plans. As of December 31, 2020, CLI's consolidated assets reported a 31% y-o-y growth to ₱50.09 billion from ₱38.28 billion driven by the increase in contract assets and investment properties.

ASSETS

13% decrease in Cash and Cash Equivalents

Decreased to ₱797.18 million from ₱917.17 million due to additional safety and health equipment, rapid testing, and donations to aid the Company's customers, employees, and community during COVID.

5% increase in Accounts Receivable (including Non-Current Portion) increased to ₱6.14 billion from ₱5.88 billion mainly due to reclassification of customer's outstanding receivable on fully completed units in Mivesa Garden Residences, Latitude, and Villa Casita North from contract assets to accounts receivable.

56% increase in Contract Assets (including Non-Current Portion) increased to ₱13.86 billion from ₱8.89 billion mainly from installment contracts on existing and newly launched projects during the year that continue to recognize real estate sales revenue as construction progresses.

46% decrease in Deposits on Land for Future Development (including Non-Current Portion) Decreased to ₱699.77 million from ₱1.29 billion as fully paid land purchases were reclassified to raw land inventory. Additional deposits on land for the year amount to ₱868.10 million.

42% increase in Real Estate Inventory increased to ₱13.40 billion from ₱9.45 billion driven by unsold inventory on newly projects launched during the year and ₱1.46 billion fully paid raw land reclassified from deposits on land to real estate inventory.

121% increase in Due from Related Parties transactions paid by CLI on behalf of its related parties increased to ₱21.95 million from ₱9.95 million mainly from cash advances to shareholders, entities under common ownership, and associates.

33% increase in Prepayments and Other Current Assets increased to ₱3.02 billion from ₱2.27 billion coming from advances to suppliers and subcontractors; prepaid commissions and related input VAT on construction materials purchased.

693% increase in Investment in Associates increased to ₱129.85 million from ₱16.38 million mainly from investment to ICOM during the year amounting to ₱96.40 million.

81% increase in Property and Equipment – Net increased to ₱ 643.39 million from ₱355.12 million with the construction of new offices and branches to support CLI's expanding developments.

444% increase in Right-of-Use Asset and 495% increase in Lease Liabilities right-of-use asset and lease liability increased to ₱950.90 million and ₱834.73 million, respectively, with recognition of the high-value leasehold rights acquired on the 43-year land lease for Cebu Business Park Office during the year.

13% increase in Investment Properties – Net increased to ₱10.09 billion from ₱8.90 billion attributed to ongoing construction on recurring income projects and businesses.

162% increase in Other Non-Current Assets increase in this account is attributed to the advances and down payments made by the company to its contractors for the construction packages made for the company's projects.

LIABILITIES

41% increase in Interest-Bearing Loans and Borrowings (including Non-Current Portion) increased to ₱23.79 billion from ₱16.85 billion mainly from the ₱8.00 billion Corporate Notes issued during the year.

29% increase in Trade and Other Payables (including Non-Current Portion) increased to ₱7.48 billion from ₱5.78 billion representing outstanding obligations to subcontractors and suppliers of construction materials.

27% increase in Contract Liabilities increased to ₱532.65 million from ₱418.97 million due to increase in collections from buyers with units that have a relatively lower stage of progress completion versus the amount paid.

495% Increase in Lease Liabilities due to new lease contracts of the company which are 1) 43-year lease contract entered by the company for a property in Cebu Business Park to develop Masters tower project and 2) 40-year lease contract entered by CLI with the Archdiocese of Cebu for a property in Colon, Cebu called Patria de Cebu.

50% increase in Deferred Tax Liabilities increased to ₱1.69 billion from ₱1.12 billion due to additional recognized tax liability on taxable temporary differences.

EQUITY

196% increase in Treasury Shares on March 27, 2020, the Board of Directors of CLI approved an additional ₱500.00 million stock buyback program to support CLI's stock price and take advantage of the current low valuation for the next two years. Treasury shares purchased during the period amount to ₱485.66 million.

96% increase in Revaluation Reserves increased to ₱12.88 million from ₱6.59 million due to an increase in estimated loss on remeasurement of post-employment defined benefit obligation.

31% increase in Retained Earnings due to the Net income recognized during the period.

14% increase in NCI increased to ₱6.90 billion from ₱6.06 billion due to the additional paid-in capital during the year to fund JVs, CHDI, Cebu BL Ramos Ventures, and GGTT.

KEY PERFORMANCE INDICATORS

CLI uses a range of financial and operational KPIs to help measure and manage its performance. These KPIs reflect the Company's continuous focus on efficiency, cost control and profitability across all its operations.

Management considers the following as KPIs:

	2021	2022	2023	2024	2025
Gross Profit Margin ¹	46%	50%	55%	52%	51%
Net Income Margin ²	24%	20%	20%	21%	22%
EBITDA ³	₱3.73 billion	₱5.71 billion	₱ 8.14 billion	₱ 7.51 billion	₱ 8.04 billion
EBITDA Margin ⁴	33%	36%	43%	40%	43%
Interest Coverage Ratio ⁵	3.27	6.20	3.98	4.32	4.97
Return on Average Assets ⁶	5%	4%	4%	4%	4%
Return on Average Equity (Parent) ⁷	27%	23%	21%	22%	16%
Return on Average Equity (Consolidated) ⁷	16%	17%	18%	17%	13%
Current Ratio ⁸	1.64	1.57	1.51	1.51	1.44
Net Debt-to-Equity Ratio ⁹	1.72	1.98	1.97	1.58	1.66
Debt-to-Equity Ratio ¹⁰	1.79	2.05	2.01	1.64	1.75

1. Gross Profit Margin is gross profit as a percentage of revenues.
2. Net Income Margin is consolidated net income as a percentage of revenues.
3. EBITDA is defined as earnings before interest, tax, depreciation, and amortization from continuing operations, and before exceptional items. Please see table below for EBITDA calculation.
4. EBITDA margin is EBITDA as a percentage of revenues based on the EBITDA calculation below.
5. Interest Coverage ratio is the sum of EBITDA, cash, and cash equivalents divided by interest incurred. For purposes of the covenants, the ratio shall be computed using 12-months trailing EBITDA plus cash balance over interest due for the next year.

6. *Return on Average Assets is net income as a percentage of the average assets as at year-end and assets as at end of the immediately preceding year.*
7. *Return on Average Equity is net income as a percentage of the average of the equity as at year-end and equity as at end of the immediately preceding year.*
8. *Current Ratio is current assets divided by current liabilities.*
9. *Net Debt-to-Equity Ratio is interest-bearing debt (loans, borrowings and bonds payable) less cash and cash equivalents over total consolidated equity.*
10. *Debt-to-Equity Ratio is interest-bearing debts (loans, borrowings and bonds payable) divided by total consolidated equity.*
11. *Return on Assets is net income* as a percentage of assets.*

Below is the reconciliation of “Consolidated Net Income” to “EBITDA”.

	For the years ended 31 December			
	2025	2024	2023	2022
Consolidated net income	4,029,541,776	3,997,848,977	3,835,669,996	3,101,915,924
Interest expense	2,229,416,313	2,102,801,908	2,272,732,814	1,151,454,983
Tax expense	1,484,395,193	1,229,930,327	1,847,179,153	1,283,909,777
Depreciation and amortization	293,585,990	175,519,160	186,911,151	170,626,662
EBITDA	8,036,939,272	7,506,100,372	8,142,493,114	5,707,907,346

The Company's Gross Profit Margin is dependent on the mix of revenue during the period. For the year 2025, CLI's Gross Profit Margin up to 51%, this is due to the higher contribution of premier projects which generated higher margins. In addition, the reclassification of certain lot sales to Other Operating Income reduced the proportion of lower-margin lot sales recognized under real estate revenues, effectively improving the blended margin. Continued construction progress and tighter cost management also supported margin expansion, as projects moved into more advanced stages with better cost absorption. Meanwhile, Net Income Margin remains healthy at 25%.

For the year ended December 31, 2025, all other ratios remain healthy with Return on Assets at 4% and Return on Equity (Parent) at 16%. Net Debt to Equity ratio remains stable at 1.66x. The Company's current ratio projects ample liquidity at 1.44x.

Management together with key officers continue to effectively handle their respective operations and financial requirements despite the pandemic. As a result, CLI's financial position remains liquid and strong.

KPIS; CERTAIN FINANCIAL RATIOS

The existing notes facility agreements to which CLI is a party require that it should comply with certain financial ratios, with testing to be done on an annual basis and using CLI's year-end audited consolidated financial statements. The table below reflects the covenants under such notes facility agreements.

Financial Ratios (Consolidated)	Relevant Definitions	Required Ratios under Notes Facility Agreement	2021	2022	2023	2024	2025
Debt to Equity Ratio	Debt-to-Equity Ratio means the result obtained by dividing (i) the amount of interest-bearing debt (loans, borrowings and bonds payable) of the Issuer by (ii) the total Equity of the Issuer, in each case as appearing in the latest consolidated audited balance sheet of the Issuer.	A maximum ratio of 2.5:1	1.79	2.05	2.01	1.64	1.75
Current Ratio	Current ratio is computed by dividing (i) Total Current Assets over (ii) Current Liabilities.	A minimum ratio of 1:1	1.64	1.57	1.51	1.51	1.44
Interest Coverage Ratio	Interest coverage ratio is computed by dividing the sum of EBITDA, cash, and cash equivalents, by interest incurred during the period. For purposes of the covenants, the ratio shall be computed using 12-months trailing EBITDA plus cash balance over interest due for the next year.	A minimum ratio of 3:1	3.27	6.20	3.98	4.32	4.97

ITEM 7. FINANCIAL STATEMENTS

The Company's audited consolidated financial statements as of and for the periods ending December 31, 2025 and 2024 are incorporated in the accompanying Index.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The Company has engaged the services of Punongbayan and Araullo (P&A) Grant Thornton. There were no disagreements with the firm on any matter of accounting and financial disclosure.

PART III - CONTROL AND COMPENSATION INFORMATION

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS AND KEY PERSONNEL OF CLI

The Company's board of directors is responsible for overall management and supervision. The officers and management team support the Board by providing relevant information and documents regarding the Company's operations, financial condition, and results, facilitating review and decision-making.

The Board currently comprises eleven (11) members, including five (5) independent directors, in compliance with SRC and the SEC's New Code of Corporate Governance for Publicly Listed Companies. The CLI Board is composed of directors with collective working knowledge, experience, and expertise that are relevant to the real estate industry. The Board oversees the development, review, and approval of CLI's business objectives and strategies. The Board also oversees and monitors the implementation of these business objectives and strategies. The Board reviews business objectives and strategies every board meeting. The CLI Board has an appropriate mix of competence and expertise and they remain qualified for their positions individually and collectively. All of CLI's directors were re-elected with the election of two (2) new independent directors during the Company's annual stockholders' meeting held on July 11, 2025.

Members of the Board of Directors

The following are the members of the Board of Directors of CLI:

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Citizenship</u>	<u>Date of first appointment as CLI Director</u>
Jose R. Soberano III	70	Chairman of the Board, President, and Chief Executive Officer (CEO)	Filipino	September 2003
Ma. Rosario B. Soberano	67	Director, Treasurer, and Executive Vice-President	Filipino	September 2003
Jose Franco B. Soberano	40	Director, Chief Operating Officer (COO), and Senior Executive Vice-President	Filipino	November 2010

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Citizenship</u>	<u>Date of first appointment as CLI Director</u>
Beauregard Grant L. Cheng	44	Director	Filipino	May 2019
Joanna Marie S. Bergundthal	38	Director, Executive Vice-President for Marketing, HR, Commercial Leasing & Treasurer	Filipino	February 2017
Rufino Luis T. Manotok	75	Lead Independent Director	Filipino	February 2017
Ma. Aurora D. Geotina-Garcia	73	Independent Director	Filipino	February 2017
Atty. Ma. Jasmine S. Oporto	66	Independent Director	Filipino	August 2018
Dr. Winston Conrad B. Padojinog	58	Independent Director	Filipino	July 2025
Eugene S. Acevedo	62	Independent Director	Filipino	July 2025
Stephen A. Tan	69	Non-Executive Director	Filipino	May 2019

The qualifications of the Directors, including their current and past positions held and business experiences, are set forth below:

Jose R. Soberano III, 70, Filipino, has been the Company's Chairman, CEO, and President since its incorporation in September 2003. He obtained a Bachelor of Arts degree in Economics from the Ateneo De Manila University in 1976 and completed the Strategic Business Economics Program at the University of Asia and Pacific in 2000. In 2015, he completed the Advanced Management Development Program in Real Estate from the Harvard University Graduate School. He previously worked for the Ayala Group of Companies for over 23 years, including various stints in Ayala Investment, Bank of the Philippine Islands, and in Ayala Land, Inc. where he was appointed Senior Division Manager in 1997. He was Vice-President of Cebu Holdings, Inc., the pioneer Ayala Land subsidiary in Cebu City when he resigned in 2000 from Ayala. He served as President of the Rotary Club of Cebu in 2011, and President of the Chamber of Real Estate Builders Association-Cebu (CREBA-Cebu) in 2010. He also previously served as a director and trustee at the University of San Carlos. Mr. Jose R. Soberano III has more than 20 years of experience in managing and heading companies engaged in real estate development.

Other present directorships:

In addition to his directorships and key positions held in joint ventures and other entities within the CLI Group, all non-publicly listed entities, Jose R. Soberano III also holds the following

directorships and positions in the following non-publicly listed entities (“Non-PLC”). He does not hold directorships in other publicly-listed companies.

Name of Entity	Classification	Position
Center for Technology and Enterprise Inc.	Non-PLC	Chairman of the Board
Sri Visayan Foundation Inc.	Non-PLC	President
Cebu Country Club, Inc.	Non-PLC	President
Sugbu Chinese Heritage Museum Foundation Inc.	Non-PLC	Director and Treasurer

Ma. Rosario B. Soberano, 67, Filipino, has served as the Director, Treasurer, and Executive Vice-President of the Company since September 2003. She received a Bachelor of Science major in Accountancy degree in 1979 and graduated summa cum laude from St. Theresa’s College in Cebu. She also obtained a Master’s Degree in Business Administration from the University of the Philippines (“UP”) - Cebu in 1983. She is a Certified Public Accountant and a licensed real estate broker duly registered with the Professional Regulations Commission and Department of Human Settlements and Urban Development.

Other present directorships:

In addition to her directorships and key positions held in joint ventures and other entities within the CLI Group, all non-publicly listed entities, Ma. Rosario B. Soberano does not hold directorships in other entities outside the CLI Group.

Jose Franco B. Soberano, 40, Filipino, has served as Director and COO since November 2010. He received a degree in Bachelor of Science in Management, major in Legal Management and minor in Finance, from the Ateneo de Manila University in 2007. In 2012, he obtained a Master’s Degree in Real Estate Development from Columbia University in New York City. Prior to joining the Company, he was a Project Manager at Hewlett-Packard Asia Pacific (HK) Ltd.

Other present directorships:

In addition to his directorships and key positions held in joint ventures and other entities within the CLI Group, all non-publicly listed entities, Jose Franco B. Soberano also holds the following positions in other non-publicly listed entities (“Non-PLC”). He does not hold directorships in other publicly-listed companies.

Name of Entity	Classification	Position
Global Shapers - Cebu Hub (an initiative of the World Economic Forum)	Non-PLC	Founding Member
Sacred Heart School - Ateneo de Cebu Alumni Association	Non-PLC	President

Joanna Marie S. Bergundthal, 38, Filipino, has served as Director of the Company since February 2017, and joined the Company as Vice-President and Marketing Director in July 2016. She earned from the University of Asia and the Pacific both her Bachelor and Master of Arts in Communication, Major in Integrated Marketing Communication in 2008 and 2009, respectively.

She was Top 1 of her Batch 2008. Prior to joining the Company, she was a Marketing Manager of the Global Team of Nestle based in Switzerland from June 2014 to August 2015 and was Marketing Project Manager based in Thailand from August 2015 to June 2016. In October 2013 to May 2014, she worked as a Marketing Manager of Nestle Philippines.

Other present directorships:

In addition to her directorships and key positions held in joint ventures and other entities within the CLI Group, all non-publicly listed entities, Joanna Marie S. Bergundthall does not hold directorships in other entities outside the CLI Group.

Beauregard Grant L. Cheng, 44, Filipino, has served as a member of the CLI Board since May 2019. He also served as the Company's Chief Financial Officer from May 2019 until March 31, 2026. Before joining CLI, he was a Senior Deal Manager with a rank of Vice-President at BDO Capital & Investment Corporation. He led his project teams in managing various complex capital market transactions and advised companies in a broad array of industries on corporate restructuring and reorganization. Previously, he was a private banker based in Singapore handling accounts for high net worth individuals and institutions. He is a registered Chartered Financial Analyst ("CFA") Charter holder and is a member of the CFA Philippines Society. He earned his Bachelor of Science in Manufacturing Engineering and Management as a Star Scholar from De La Salle University Manila and graduated Magna Cum Laude. He was awarded as one of the Top Ten Outstanding Students of the Philippines by the Philippine President. He earned his Masters of Science in Wealth Management with distinction from Singapore Management University and Swiss Finance Institute in Zurich. He was awarded as the 2022 ING-FINEX CFO of the Year, becoming its youngest recipient and the first awardee from a non-conglomerate organization. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or officers of CLI.

Other present directorships:

Name of Entity	Classification	Position
Cornerstone Financial Partnership Group Inc.	Non-PLC	Director

Rufino Luis T. Manotok, 75, Filipino, joined as one of CLI's Independent Directors in February 2017. He finished the Advanced Management Program of Harvard Business School in 1994. He earned his Master of Business Management degree from the Asian Institute of Management in 1973, and Bachelor of Arts, major in Economics, from the Ateneo de Manila University in 1971. He was the Chairman and President of Ayala Automotive Holdings Corporation from 2009 to 2012. From 2007 to 2009, he was Ayala Corporation's Senior Managing Director, CFO, and Chief Information Officer. He was Managing Director, heading the Strategic Planning Group of Ayala Corporation from 1998 to 2006. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors of the Company.

Other present directorships:

Name of Entity	Classification	Position
Philippine Savings Bank	Publicly-listed	Independent Director
Manila Medical Services, Inc. (Manila Doctors Hospital)	Non-PLC	Independent Director
Manarsa Holdings, Inc.	Non-PLC	Chairman of the Board

Manotok Bros., Inc.	Non-PLC	Director

Ma. Aurora D. Geotina-Garcia, 73, Filipino, has been an Independent Director of CLI since February 2017. A Certified Public Accountant, she started her professional career at SGV & Co. (Ernst & Young Philippines), where she led the Firm's Global Corporate Finance Division. She is currently the Chairperson and President of Mageo Consulting Inc., a company providing business advisory and corporate finance consulting services. She is the Chairperson of the Shareholders' Association of the Philippines, and an immediate past Vice Chairperson of the Institute of Corporate Directors (ICD). She is the Founding Chairperson and President of the Philippine Women's Economic Network, Chairperson of the Governing Council of the Philippine Business Coalition for Women Empowerment, Chairperson of the NextGen Organization of Women Corporate Directors, and Chairperson of Samahan ng Pilipina para sa Reporma at Kaunlaran. She is the first female Chairperson of the Bases Conversion and Development Authority (BCDA) (2015 - 2016), and was a Director of BCDA subsidiaries and affiliates. Ms. Garcia received her Bachelor of Science degree in Business Administration and Accountancy from the University of the Philippines in 1973 and completed her Master of Business Administration from the same university in 1978. In 2012, she received the Distinguished Alumni Award from the University of the Philippines and was recognized as ASEAN Woman Entrepreneur at the ASEAN Business Awards in 2019. In March 2023, she received from the Philippines Board of Accountancy the Accountancy Centenary Award as one of 100 notable Certified Public Accountants in the country, in celebration of the Centenary of the Accounting Profession in the Philippines. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors of the Company.

Other present directorships:

Name of Entity	Classification	Position
ENEX Energy Corp.	Publicly-listed	Lead Independent Director
Concreat Holdings Philippines Inc.	Publicly-listed	Independent Director
Professional Services, Inc.	Non-PLC	Independent Director
Mageo Consulting Inc.	Non-PLC	Chairperson

Atty. Ma. Jasmine S. Oporto, 66, Filipino, joined the Board of Directors of CLI as an Independent Director in August 2018. She obtained her Juris Doctor (J.D.) degree from the UP College of Law, and Bachelor of Landscape Architecture (*cum laude*) from the same university. She is a member of both the Philippine and New York bar associations and placed No. 3 in the 1988 Philippine Bar Examinations. She also attended the Comparative International and American Law Program of the Center for American and International Law. She is an experienced Chief Legal Officer, Chief Compliance Officer, and Corporate Secretary and has worked in said capacities with publicly listed companies, including Aboitiz Equity Ventures, Inc. and Aboitiz Power Corporation. She is also a certified Compliance & Risk Management Professional with the GRC Institute of Australia. In her legal practice, she has intensive experience in working with a wide network of external and in-house legal counsels for labor, commercial litigation, securities law, power industry regulation, land, infrastructure capital, and general corporate law. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors of the Company.

Other present directorships:

Name of Entity	Classification	Position
Philippine National Oil Company	Non-PLC; GOCC	Director

Dr. Winston Conrad B. Padojinog, 58 , Filipino, joined the Board of Directors of CLI as an Independent Director on July 11, 2025. He has been the President of the University of Asia and the Pacific (UA&P) since 2015 and the Center for Research and Communication Foundation, Inc - an independent and private think tank for the promotion of an enlightened private sector and economic policies that promote the common good of society since 2023, and concurrently serves as a professor of Industrial Economics and Strategic Management at UA&P. Dr. Padojinog has authored major publications, including various articles, book contributions, and academic papers; non-academic publications; business research; and has engaged in strategy consulting and business sustainability work for family businesses, listed companies, industry associations, and local government units. He is regularly invited to deliver presentations at national and international conferences, economic briefings, and corporate strategy sessions. He holds a Doctor of Business Administration from De La Salle University - Graduate School of Business, a Master of Science in Industrial Economics from UA&P as a Scholar of the Hanns Siedl Stiftung Foundation of Germany, and a Bachelor of Science in Economics and Management (Double Major) from the University of the Philippines - Visayas. Dr. Padojinog has over 20 years of extensive experience in industry competitive analysis in the areas of property markets, the extractive sector, fintech, and the gig economy. He is adept at the use and application of financial and economic business modeling and econometrics for business decision-making, valuation, and business impact analysis. He previously held the positions of Dean and Vice Dean of the UA&P School of Management, and served as auditor and member of the Board of Trustees of the Association of Southeast Asian Institutions of Higher Learning - National Council of the Philippines. In 2024, he was jointly recognized as one of the outstanding alumni of the UP Alumni Association for educational leadership and by the UP Visayas Alumni Alumni Association, Inc. for Professional Excellence, and in 2021, was named one of "The 10 Most Agile Education Leaders in the APAC" by the Education Magazine. He is not related within the fourth civil degree, either by consanguinity or affinity, to any of the directors or officers of CLI.

Other present directorships:

Name of Entity	Classification	Position
JTS Corporation	Non-PLC	Independent Director
Jose Jon Tiamsuy Foundation, Inc.	Non-PLC	Independent Director
ABACORE Capital Holdings, Inc.	Publicly-Listed	Independent Director
Philippine Veterans Bank	Non-PLC	Independent Director

Eugene S. Acevedo PhD, 62 , Filipino, joined the Board of Directors of CLI as an Independent Director on July 11, 2025. He was President and Chief Executive Officer (CEO) of Rizal Commercial Banking Corporation (RCBC) from 2019 to June 30, 2025. Under his leadership, RCBC accelerated its business and digital transformation, garnering multiple awards for innovation, including best digital bank and best retail bank. Mr. Acevedo has over thirty-five (35) years of extensive banking experience across both local and multinational institutions, including Union Bank of the Philippines, CitySavings Bank, Philippine National Bank, and Citibank in the Philippines, Singapore, and Hong Kong. He started as a Management Associate in Citibank in 1987 and retired as Managing Director responsible for Hong Kong and Taiwan Global Markets. His other senior roles have included regional head of Asia derivatives sales, and country treasurer for the Philippines and Hong Kong. He also served as President and CEO of Philippine National Bank, SEVP of UnionBank, and Chairman of City Savings Bank. Academically,

Mr. Acevedo has a PhD in Organizational Development from SAIDI Institute. He was a DOST scholar and graduated magna cum laude with a degree in Physics from the University of San Carlos. He holds a Master's degree in Business Administration from the Asian Institute of Management, where he is currently enrolled in the DBA program. He completed the Advanced Management Program at Harvard Business School, and also holds professional certificates in Clean Power from Imperial College London, Digital Marketing from The Wharton School, and Customer Experience from The CX Academy in Ireland. He is not related within the fourth civil degree, either by consanguinity or affinity, to any of the directors or officers of CLI.

Other present directorships:

Name of Entity	Classification	Position
Rizal Commercial Banking Corporation	Publicly-listed	Director
Amadeus Arabica Corp.	Non-PLC	Director
Holly Tree Holdings	Non-PLC	Chairperson
Mapua Business School	Non-PLC	Advisory Dean and Professor of Practice
RCBC Leasing and Finance Corporation	Non-PLC	Adviser
YGC Corporate Services, Inc.	Non-PLC	Director
AY Foundation	Non-PLC	Director
University of San Carlos	Non-PLC	Trustee
Malayan Insurance Co., Inc.	Non-PLC	Non-executive Director

Stephen A. Tan, 69, Filipino, has been a member of the CLI board as Non-Executive Director since May 2019. He is a Certified Public Accountant and a holder of an MBA, with distinction, from Katholieke Universiteit te Leuven in Belgium and a Bachelor of Science in Management Engineering from Ateneo de Manila University. He is also a Hubert H. Humphrey (Fulbright) Fellow in Agricultural Economics at the University of California, Davis. He earned his degree in Accounting from the University of San Carlos. Prior to retiring from CLI as CFO in May 2019, he served as CFO and Treasurer in various companies engaged in real estate development, construction, food, and shipbuilding, among others. For more than 30 years, he has been a part-time MBA professor in leading universities in Cebu City. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or officers of CLI.

Other present directorships:

Name of Entity	Classification	Position
CLI-LITE Panglao Inc.	Non-PLC	Independent Director
Sacred Heart School - Ateneo de Cebu	Non-PLC	Board of Trustee
CLI MAC Developers Inc.	Non-PLC	Independent Director
Eluvo Healthcare Group, Inc.	Non-PLC	Director and CFO
ARQ Capital Finance, Inc.	Non-PLC	Independent Director

The Board of Directors complies with the SRC and SEC's corporate governance requirements, comprising five (5) independent directors, representing one-third of CLI's board membership. The independent directors are Mr. Rufino Luis T. Manotok, Ms. Ma. Aurora D. Geotina-Garcia, Atty. Ma. Jasmine S. Oporto, Dr. Winston Conrad B. Padojinog, and Mr. Eugene S. Acevedo.

The CLI Board re-elected Mr. Rufino Luis T. Manotok as Lead Independent Director. Mr. Manotok is a respected business leader with experience in key positions in major Philippine conglomerates and companies, including roles such as Chairman and President, Senior Managing Director, CFO, and CIO.

CLI's independent directors meet the qualifications and have no disqualifications for their positions. They have no interests or relationships that could compromise their independence from the Company or its management, or impair their ability to exercise independent judgment in fulfilling their duties as directors.

In accordance with CLI's Corporate Governance Manual and policy on setting limit of Board seats, non-executive directors, including independent directors, are limited to serving on a maximum of five (5) publicly-listed companies concurrently.

As of December 31, 2025, all non-executive directors of CLI are in compliance with the board directorship limit. No director, executive or non-executive, holds directorships in 5 or more publicly-listed companies, ensuring sufficient time for meeting preparation, challenging management proposals, and overseeing CLI's long-term strategy.

Executive Officers and Key Personnel

The following persons are the key executive officers and other officers¹ of CLI:

<u>Name</u>	<u>Age</u>	<u>Position</u>	<u>Citizenship</u>
Jose R. Soberano III	70	President and CEO	Filipino
Ma. Rosario B. Soberano	67	Treasurer and Executive Vice-President	Filipino
Jose Franco B. Soberano	40	COO and Senior Executive Vice-President	Filipino
Paquita T. Rafols	61	Chief Financial Officer and First Vice President for Accounting	Filipino
Joanna Marie S. Bergundthal	38	Executive Vice-President for Marketing, HR, Commercial Leasing & Treasurer	Filipino
Janella Mae S. Wu	34	Vice-President for After Sales, Corporate Communications & Premier MARKeting	Filipino
Atty. Larri-Nil G. Veloso	47	Corporate Secretary ad Senior Vice-President - Chief Legal Officer and Strategic Landbanking	Filipino
Atty. John Edmar G. Garde	37	Assistant Corporate Secretary	Filipino
Atty. Edeline O. Cosicol	32	Assistant Corporate Secretary	Filipino

¹Officers identified in the latest General Information Sheet of CLI.

Atty. Alen Joel R. Pita	31	Assistant Corporate Secretary	Filipino
Marie Rose C. Yulo	57	Senior Vice-President for Sales	Filipino
Engr. Jose Rolando Dimatulac	59	Vice-President for Engineering	Filipino
Sylvan John M. Monzon	50	First Vice-President for Business Development	Filipino
Mark Leo M. Chang	46	Vice-President for Special Projects & External Affairs	Filipino
Atty. James M. Abadia	47	Vice President for Business Development	Filipino
Julieta M. Pangilinan	50	First Vice President for Treasury	Filipino
Ronald Allan A. Uy	54	First Vice President for Property Management	Filipino
Eric Gregor G. Tan	41	First Vice President for Business Development	Filipino
Atty. Lou Delianne I. Reboja	33	Compliance Officer	Filipino
Emerito R. Purisima Jr.	43	Investor Relations Officer	Filipino
Suzette Go	55	Data Protection Officer	Filipino

For the description of the business experience of and, as applicable, other directorships of Mr. Jose R. Soberano III, Ma. Rosario B. Soberano, Jose Franco B. Soberano and Joanna Marie B. Soberano-Bergundthal, please refer to the description set out under the section “*Members of the Board of Directors*”.

For the other key executive officers and other officers, please see below description.

Paquita T. Rafols, 61, Filipino, has been with CLI for six (6) years and currently serves as Chief Financial Officer and Vice President for Accounting and Tax, where she has strengthened the Company’s financial controls, compliance standards, and reporting processes, while building a disciplined high performing team. She graduated magna cum laude with a Bachelor of Science in Commerce, major in Accounting, from Saint Theresa’s College. She also earned her Bachelor of Laws degree from University of San Carlos. A Certified Public Accountant with over 40 years of experience in finance and accounting, she previously held senior leadership roles across the Aboitiz Group, including positions in Corporate Services, Accounting and Controllershship. Earlier in her career, she was a Managing Consultant at PricewaterhouseCoopers, handling audit, management, and tax advisory engagements. Ms. Rafols is also an ISO 9002–Certified Auditor. She currently serves as the Company’s Chief Financial Officer as of March 2026. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Janella Mae S. Wu, 34, Filipino, joined the Company as Corporate Communications and Customer Relations Head in January 2020. She obtained her Bachelor of Arts in Integrated Marketing Communications degree from the University of Asia and the Pacific, Manila in 2013 and completed her Master of Science in Strategic Communications at Columbia University, New York in 2020. Prior to graduate school, she worked for the Company as Marketing Manager from 2017 to 2018 and United Laboratories (UNILAB) as Brand Manager from 2013 to 2017. She is the daughter of Jose R. Soberano III and Ma. Rosario Soberano.

Atty. Larri-Nil G. Veloso, 47, Filipino, is the Senior Vice-President for Legal and serves as the Company's Corporate Secretary. An experienced practitioner in Corporate Law, he holds a Bachelor of Arts in Mass Communication from UP and earned his Bachelor of Laws from the University of Southern Philippines Foundation. While finishing law school, he worked for print and online newspapers, occupying various positions in progression from correspondent, staff reporter, copy editor, copywriter, junior editor, group editor, to managing editor. Prior to joining the Company, he was the Corporate Legal Counsel of InfoWeapons Corporation, an American-owned software company specializing in networking appliances, and later promoted as General Manager. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Atty. John Edmar G. Garde, 37, Filipino, serves as the Company's Assistant Corporate Secretary. He was the former Compliance Officer of CLI. Prior to joining CLI as Legal Counsel-Corporate Finance, he served as Manager/Director in the Business Tax Services of SGV & Co. He graduated cum laude from the University of San Carlos with a degree in Bachelor of Science in Management Accounting. He also received his law degree from the same university. He is also a Certified Compliance Officer, having garnered the highest rating and certificate of excellence during the 2021 Certification Course for Compliance Officers of the Center for Global Best Practices. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Atty. Edeline O. Cosicol, 32, Filipino, serves as the Company's Assistant Corporate Secretary. After passing the Bar Exams, she went back to CLI as Corporate Counsel, still being exposed to Real Estate transactions. As of 2025, she has been promoted to Asst. Corporate Secretary. While studying, she joined CLI as a Corporate Paralegal wherein she was exposed to different functions of the practice of law in Real Estate including due diligence for land acquisitions, liaise with government regulatory agencies for corporate compliance as well as corporate secretarial functions of the company. She started her Legal Career at Ebar Abstracting Company, Inc. as a Legal Writer. She was exposed to UK and EU Legal systems wherein she wrote simplified and non-legalese legal commentaries on UK Law. She obtained her BS in Nursing from Velez College in 2013. She also obtained her Juris Doctor from the University of San Jose-Recoletos in 2020. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Atty. Alen Joel R. Pita, 31, Filipino, serves as the Company's Assistant Corporate Secretary. Prior to CLI, he was a Partner at Paras and Partners Law Office practicing in the areas of Real Estate, Zoning, Planning and Land Use. He started his Legal Career at Angara, Abello, Concepcion, Regala, & Cruz Law Office (ACCRALAW) wherein he was exposed to Government Contracts and PPP, Labor and Employment, Licensing and Franchising, Litigation, and White Collar Crime among others. He obtained his BA Political Science in Law and Policy Studies from the University of San Carlos in 2014. He also obtained his Juris Doctor in International Law Practice from the same university in 2018. Additionally, he is currently taking a Master of Laws in Cross Border and Regional Practice at the University of the Philippines- Bonifacio Global City. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Marie Rose C. Yulo, 57, Filipino, is the Company's Senior Vice-President for Sales. Prior to this, she was the Assistant Vice-President for both Sales and Marketing from March 2011 until August 2016 when the Company spun off its marketing unit as a separate department to provide focused attention to the equally challenging marketing and branding initiative of the Company. She also has significant experience in the areas of travel and tours, and banking. She completed her Bachelor of Science degree in Business Administration at the University of San Carlos and earned MBA units from the University of the Visayas. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Engr. Jose Rolando Dimatulac, 59, Filipino, is the Vice-President of Engineering of the Company. He is a licensed engineer in the field of Civil Engineering. He joined our team last September 2024. Some of the established companies he had worked for were Robinsons Land Corporation/Robinson's Homes. He finished his Bachelor of Science degree in Civil Engineering at University of Nueva Caceres in City of Naga, Camarines Sur. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Sylvan John M. Monzon, 50, Filipino, is the First Vice-President for Business Development. Prior to joining CLI, he held various positions in the real estate industry for more than 20 years such as Project Development Assistant Supervisor of Cebu Holdings, Inc., Assistant Chief Operating Officer of Ortigas

and Company Limited Partnership, and as Head of Business Development of Ortigas and Company Holdings Inc. He graduated with a Bachelor of Science degree in Business Management from the University of Asia and the Pacific in Pasig City, Philippines. He also earned a Certificate in Business Economics from the same university. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Mark Leo M. Chang, 46, Filipino, is the Company's Vice-President for External Affairs. He graduated with a degree in Bachelor of Laws (Juris Doctor) from the University of San Carlos (USC) School of Law, Cebu City in 2009 and Bachelor in Business Management from UP – Cebu in 1999. In 1998, he was awarded as one of The Outstanding Student Leaders of UP Cebu by the Junior Jaycees of UP Cebu Chapter. He previously worked as Senior Manager for External Affairs of Cebu Holdings, Inc., a subsidiary of Ayala Land, Inc. from February 2015 to July 2017 (including as Consultant) and as Senior Manager for Permits with Countryside Water Services under Filinvest Development Corporation from August 2017 to June 2018. He held the position of Presidential Staff Officer V functioning as Executive Assistant and Political Officer under the Office of the Presidential Political Adviser Sec. Ronaldo M. Llamas of the Office of the President from April 2011 to December 2014. He also worked as an Intern (Researcher) at Sycip Salazar Hernandez Gatmaitan Law Office - Cebu Branch from September 2005 to March 2007. He used to be the National President of the Association of Law Students of the Philippines, a federation of law student councils in the country, for Academic Year (AY) 2008-2009 and President of USC Lex Circle (Law Student Council) for 2 terms in AY 2006-2008. He is one of the founders of Roco for President Youth Movement and Aksyon Kabataan, a youth arm of Aksyon Demokratiko, the political party of the late Sen. Raul S. Roco in 1998. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Atty. James M. Abadia, 47, Filipino, is the head of Business Development - SBU Cebu A & Visayas is a lawyer by profession. Prior to joining CLI he held senior positions in both government and the private sectors. He served as City Legal Officer III of Lapu-Lapu and as the City Administrator of Mandaue. After government service, he joined the Ramon Aboitiz Foundation Inc. as the Vice-President for Social Development handling teams that focused on Education Development, Tree Growing, Children's Fund, Humanitarian Disaster Response, among others. Before joining CLI, he was Vice President of OneMeridaLand Corp. a start-up real estate developer based in Cebu. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Julieta M. Pangilinan, 50, Filipino, is the head of Treasury for Cebu Landmasters Inc. (CLI) and its Group of companies from August 2019 to present. A Certified Public Accountant, Masters in Business Administration graduate from the University of San Jose Recoletos. She was a Senior Accounting Manager for CLI for a year and was in charge of consolidation and review for Financial Statements for the Group of Companies. She was the Accounting Manager of Aboitiz Power Corporation (Generation_OIL Group). Prior to that, she was Accounting Supervisor, General Accountant, Treasury Officer and Cost Accountant. She has served Aboitiz for 20 years until 2018. She worked as Cost Accountant in a Cement Company for two (2) years. She assumed an additional role as Controller's representative for ISO Process Documentation. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Ronald Allan A. Uy, 54, Filipino, is the head of Property Management, Safety and Security of Cebu Landmasters, Inc. (CLI) from July 2024 to present. He finished his bachelor's degree in Naval Systems Engineering from the Philippine Military Academy. He is a Certified Facility Manager (IFMA, Texas USA) and a licensed Real Estate Broker. He holds an MBA degree from the Ateneo de Manila Graduate School of Business. He possesses an executive diploma in Real Estate Management from the De La Salle University-College of Saint of Benilde and a diploma in Property Management from Ashworth College, Georgia USA. He was a Vice President and General Manager for Visayas at Pueblo De Oro Development Corporation, where he leads a team overseeing real estate development of horizontal housing from site acquisition to post-sale property management. Prior to that, he was Associate Director at Ayala Property Management Corporation, managing residential projects across Visayas and Mindanao; and Division Head at Primary Properties Corporation, overseeing a diverse portfolio of properties and promoting operational excellence in property management. His career also includes notable positions at Aboitiz Land Inc. as General Manager for Property Management and at Cebu Industrial Park Developers Inc., where he directed operations, secured development sites, and maintained strategic relationships with government entities. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Eric Gregor G. Tan, 41, Filipino, is the Vice President for Business Development. Concurrently, he served as Vice President & General Manager at Plushomes Communities, Inc. and PH1 World Landscapes, Inc. both companies are affiliated with Megawide Construction Corp. Prior to CLI, Eric served as an Asst. Vice President at Megawide Construction Group, where he led the development of Carbon Market Redevelopment project. With his track record, he then handled projects in Visayas and Mindanao Region at Taft Properties where he headed the Business Development Team. His projects include Taft East Gate and Horizons 101. He then transitioned as Business Development Manager at Robinsons Land Corporation where he spearheaded high-end vertical developments in Metro Manila. Eric started his Real Estate career at Landco Pacific Corp, he led the Business Development Department of the company. He studied AB Management Economics in Ateneo De Manila University and graduated in 2006. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Atty. Lou Delianne I. Reboja, 33, Filipino, is the Compliance Officer of CLI. She is a Legal Counsel and Compliance Senior Manager of Cebu Landmasters, Inc. (CLI). As a CPA Lawyer, she served as an Associate Director in Sycip Gorres Velayo & Co. (member firm of Ernst & Young International) under Business Tax Advisory focusing on Taxation and Corporation Law such as but not limited to BIR Assessments, special projects with PEZA/BOI/LGU, restructuring and due diligence projects and corporate secretarial services. She was also a Senior Associate in SGV & Co. (member firm of EY) under Global Compliance and Reporting. She also previously served as an Accountancy Professor in Cebu Institute Technology – University and a lecturer on Regulatory Framework for Business Transactions in the same university. She obtained her Bachelor of Science in Accountancy from the University of San Carlos – School of Business and Economics and graduated magna cum laude. She also obtained her Juris Doctor from University of San Carlos – School of Law and Governance and passed the 2020/2021 Bar Examinations with exemplary performance. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Emerito M. Purisima Jr., 43, Filipino, is the Asst. Vice President for Investor Relations Officer CLI since July 2025. He is a Certified Public Accountant. With his track record, he was appointed as Head of FP&A at AllValue Holdings Corp, the retail arm of Villar Group and Head of Investor Relations at AllDay Marts, Inc. concurrently. Mr. Purisima joined the Villar Group as Business Development Officer and served as a finance subject matter expert on various acquisition transactions and on best commercial terms on such deals. He then transitioned as FP&A Officer at Ortigas Land, this began his Real Estate career. He started his career as Lead Consultant- Transaction Advisory at Punongbayan & Araullo wherein he provided Corporate Finance advisory on intercompany transactions and acquisitions to clients. He is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

Suzette Go, 55, Filipino, is the Data Protection Officer of CLI. Before joining CLI in November 2021, Ms. Go had experience as an Information Systems Manager, a Compliance Officer for Privacy, and an ISO Management Representative for the publicly listed company Cebu Holdings, Inc., which was a subsidiary of Ayala Land, Inc. At the beginning of her career, she was a Programmer for SM Multistores Corporation, the SM company handling the Department Stores business, and was a Junior Programmer for Philippine Nitto Systems, a Japanese software development company. She is not related within the fourth civil degree either by consanguinity or affinity to any of the directors or fellow executive officers in the Company.

ITEM 10. EXECUTIVE COMPENSATION

The following table sets out the Company's President and CEO and the five most highly compensated senior officers:

Name	Position
Jose R. Soberano III	President and CEO
Ma. Rosario B. Soberano	Executive Vice-President and Treasurer
Jose Franco B. Soberano	Senior Executive Vice-President and COO
Beauregard Grant L. Cheng	CFO

Joanna Marie B. Soberano-Bergundthal	Senior Vice-President for Marketing

The following table identifies and summarizes the aggregate compensation of the Company's President & CEO and the five most highly compensated executive officers, and all other officers and directors as a group, for the period ended 2025, 2024, 2023, 2022, 2021, 2020, and 2019.

Position	Period Ended	Basic Compensation (in ₱)	Other Compensation (in ₱)
President and CEO and the four most highly compensated executive officers named above	2025	62,832,382.17	24,788,488.57
	2024	63,397,424.00	20,816,986.75
	2023	53,483,939.64	20,715,507.99
	2022	51,846,963.70	16,170,904.95
	2021	40,973,625.00	19,965,000.00
	2020	37,248,750.00	18,150,000.00
	2019	33,862,500.00	16,500,000.00
All officers and directors as a group excluding the President and four (4) most highly compensated executive officers	2025	79,055,667.13	21,009,312.90
	2024	70,022,156.34	20,633,770.21
	2023	68,942,167.35	19,157,807.00
	2022	27,578,355.39	10,607,059.77
	2021	25,071,232.18	9,642,781.61
	2020	22,792,029.26	8,766,165.10
	2019	20,720,026.60	7,969,241.00

EMPLOYMENT CONTRACTS OF EXECUTIVE OFFICERS

Each of the executive officers named above executed an employment contract with the Company and is entitled to receive retirement benefits in accordance with the terms and conditions of the Company's retirement plan.

The employment contracts contain the following details, terms and conditions:

- Rank
- Commencement date
- Office location and work hours
- Scope of work, duties and responsibilities
- Salary, remittances, and deductions
- Benefits – leaves, retirement plan, health plans, group insurance, de minimis benefits, loans, and Performance review
- Intellectual Property
- Code of Conduct
- Termination of Employment

- Others – non disclosure agreements, confidentiality, company policies

CLI also has a Savings Program Prior to Normal Retirement (“**SPP**”) which is incorporated in its Amended Retirement Plan. The SPP serves as the retirement plan for all CLI regular employees who resign prior to the optional retirement age of 60 years old or the mandatory retirement age of 65 years old. The equivalent of 5% of the employee’s basic salary is set aside by CLI every month while the employee remains in the employ of CLI. This benefit applies to executives under the same terms and conditions.

Upon resignation, the employee will be entitled to his or final balance as follows:

Vested Benefit %	Number of Continuous Service (from January 01, 2015)
0%	Less than 5 years
50%	5 years
60%	6 years
70%	7 years
80%	8 years
90%	9 years
100%	10 years and above

Given the above, a qualified CLI employee will be entitled to and avail either the 1) Normal Retirement benefits as mandated by law, or 2) the Vested Benefits under the SPP, whichever is higher.

No bonuses have been declared for the Board of Directors for the last two years. For the ensuing year, the amount of bonuses to be received by the members of the Board of Directors has yet to be approved by it.

Other than as indicated above, there is no other compensation to be received in case of termination of the above-named executive officer’s employment with the Company or any of its Subsidiaries.

There is no plan or arrangement by which the executive officers will receive from the Company any form of compensation in case of a change in control of the Company or change in the officers’ responsibilities following such change in control.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

(a) Security Ownership of Record and Beneficial Owners of more than 5% of CLI as of December 31, 2025:

Title of Class	Name, Address of Record Ownership and Relationship with Issuer	Name of Beneficial Owner and Relation with Record Owner	Citizenship	No. of Common Shares	Percentage (of common shares)
Common Shares	AB Soberano, 2877 V. Rama Avenue Guadalupe Cebu City	Please see table below for the beneficial owners of this entity.	Filipino	2,294,199,095	63.17%
Common Shares	PCD Nominee Corporation (Filipino)	PCD NOMINEE CORP. (FILIPINO)	Filipino	1,247,902,171	33.88%

	G/F MSE Bldg. Ayala Ave. Makati City				

Beneficial Owners of AB Soberano as of December 31, 2025:

Name	Address	No. of Common Shares Held	% of Ownership
Jose R. Soberano III	2 nd St. Villa San Lorenzo, Quijada St., Guadalupe, Cebu City	4,320,000	48%
Ma, Rosario B. Soberano	2 nd St. Villa San Lorenzo, Quijada St., Guadalupe, Cebu City	4,320,000	48%
Jose Franco B. Soberano	2 nd St. Villa San Lorenzo, Quijada St., Guadalupe, Cebu City	90,000	1%
Joanna Marie S. Bergundthal	2 nd St. Villa San Lorenzo, Quijada St., Guadalupe, Cebu City	90,000	1%
Janella Mae B. Soberano-Wu	2 nd St. Villa San Lorenzo, Quijada St., Guadalupe, Cebu City	90,000	1%
Jose Gabriel B. Soberano	2 nd St. Villa San Lorenzo, Quijada St., Guadalupe, Cebu City	90,000	1%

(b) Security Ownership of Directors and Management (Executive Officers) of CLI as of December 31, 2025:

Directors

Name of Beneficial Owner	Title of Class	Citizenship	Direct	Indirect	Total	Percentage to Total Common shares
Jose R. Soberano	Common	Filipino	168,980,480	1,101,767,567	1,270,748,047	36.67%
Ma. Rosario B. Soberano	Common	Filipino	132,127,500	1,101,767,567	1,233,895,067	35.61%
Jose Franco B. Soberano	Common	Filipino	20,330,241	22,953,491	43,283,732	1.25%
Joanna Marie B. Soberano - Bergundthal	Common	Filipino	16,907,191	22,953,491	39,860,682	1.15%
Beauregard Grant L. Cheng	Common	Filipino	2,453,000	-	2,453,000	0.07%
Stephen A. Tan	Common	Filipino	11,150	-	11,150	0.00%
Ma. Jasmine S. Oporto	Common	Filipino	8,920	-	8,920	0.00%
Rufino Luis T. Manotok	Common	Filipino	2	161,500	161,502	0.00%
Ma. Aurora D. Geotina-Garcia	Common	Filipino	2	-	2	0.00%
Dr. Winston Conrad B. Padojinog	Common	Filipino	2	-	2	0.00%
Eugene S. Acevedo	Common	Filipino	2	-	2	0.00%

Total			340,818,490	2,249,603,616	2,590,422,106	74.75%

Officers

Name of Beneficial Owner	Title of Class	Citizenship	Direct	Indirect	Total	Percentage to Total Common shares
Larri-Nil G. Veloso	Common	Filipino	109,000	-	109,000	0.00%
Total			109,000	-	109,000	0.00%

VOTING TRUST HOLDERS OF 5% OR MORE

As of the date of this report, the Company is not aware of any person holding more than 5% of shares under a voting trust or similar agreement.

CHANGE IN CONTROL

As of the date of this report, the Company is not aware of any arrangements that may result in a change in control of the Company. There are no existing provisions in the Company's articles of incorporation or its by-laws which will delay, defer, or in any manner prevent a change in control of the Company.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

The Company and its subsidiaries (the "Group"), in their regular conduct of business, have entered into transactions with associates and other related parties principally consisting of advances and reimbursement of expenses, purchase and sale of real estate properties, construction contracts, and development, management, marketing, leasing and administrative service agreements. Sales and purchases of goods and services to and from related parties are made on an arm's length basis and at current market prices at the time of the transactions.

These transactions are governed and monitored under a board-approved related party transaction policy ("RPT Policy") that enforces proper disclosure, approval protocols, and tests of arm's length standards. CLI employees are also required to promptly disclose any business and family-related transactions with the Company to ensure that potential conflicts of interest are surfaced and brought to the attention of management.

Declaration on RPTs

In accordance with CLI's RPT Policy and Transfer Pricing Policy, the Company confirms that all related party transactions (RPTs) in 2025 were conducted on an arm's length basis and on terms comparable to those with unrelated third parties under similar circumstances.

In accordance with CLI's RPT Policy, related party transactions (RPTs) involving at least Php 50,000,000.00 or equivalent require review and pre-approval by the RPT Committee. The RPT Committee ensures these transactions are conducted on an arm's length basis, on terms comparable to those with unrelated third parties, and in compliance with the Transfer Pricing Policy. Approved RPTs are then endorsed to the CLI Board for approval and/or ratification.

All RPTs breaching the Php 50Mn threshold have been approved by the RPT Committee and CLI Board, and as supported by its respective minutes of meetings and committee/board resolutions. For CY2025, these included the approval of shareholder advances to related party joint venture entities and procurement of contracted services from other related parties. There were no RPTs that breached the 10% Material RPT threshold of the SEC for CY2025.

The amounts of the RPTs and the discussions of the business purposes of the arrangement, identification of the related parties transaction business with CLI and the nature of their relationship,

how transaction prices were determined by the parties, and any ongoing contractual or other commitments as a result of the arrangement, are also discussed and disclosed accordingly in CLI's FY2025 Audited Financial Statements.

PART IV - CORPORATE GOVERNANCE

ITEM 13. CORPORATE GOVERNANCE

Compliance Policy and Evaluation System

The Board of Directors, Management, and Employees of CLI are committed to upholding the principles and best practices outlined in the Amended Manual on Corporate Governance (the "Manual"), in line with the State's policy to actively promote corporate governance reforms aimed to raise investor confidence, develop capital market and help achieve high sustained growth for the corporate sector and the economy. The Manual has been filed with the SEC in compliance with regulatory requirements.

The Company's evaluation system for compliance with its Manual includes annual board and committee assessments. In line with the Manual and Board Charter, the Board conducted its annual performance evaluation, assessing the Board, individual directors, board committees, and the management team led by the CEO. The Office of the Compliance Officer, in coordination with CLI's I.T. Department, implemented a digitalized performance evaluation and assessment process. The evaluation utilized a 5-point scale rating system, with 0 representing "Strongly Disagree" and 5 representing "Strongly Agree". In adherence with recommended corporate governance best practice, a third-party service provider, Sta. Ana Rivera & Co., tabulated, validated, and confirmed the assessment forms. The results, including performance ratings and comments of directors and committee members, were presented and discussed at Corporate Governance Committee and Board meetings.

Measures Undertaken to Comply with Leading Practices on Good Corporate Governance

CLI continues to implement measures to comply with leading corporate governance practices. The Board of Directors and management team have promoted and implemented principles and recommendations under SEC Memorandum Circular No. 19, series of 2016 (otherwise, the Code of Corporate Governance for Publicly-Listed Companies), PSE CG Guidelines, and the recommended practices under the ASEAN Corporate Governance Scorecard. In instances of non-compliance with recommended principles and best practices, CLI identifies and explains the deviation, and provides an explanation on how the Company still achieves the overall principles. This information is reported through CLI's comprehensive Integrated Annual Corporate Governance Reports (I-ACGRs), submitted to the SEC, uploaded to PSE EDGE, and posted on CLI's website. CLI's improved and enhanced IACGRs continue to provide a clear and succinct picture of its compliances with the recommended principles and best practices in corporate governance, at par, if not exceeding industry standards.

CLI has undertaken systematic and substantial initiatives to enhance and refine its corporate governance framework, compliance reporting, and disclosures. Notably, CLI's Integrated Annual Corporate Governance Reports (I-ACGRs) have been a primary focus area, with improvements therein cited by the Institute of Corporate Directors (ICD) as a key factor in CLI's enhanced corporate governance rating over the past several years, culminating in the receipt of the Company's inaugural Golden Arrows award in 2023. Furthermore, CLI has implemented measures to ensure that corporate governance disclosures in its structured and unstructured reports, including Annual Reports, are aligned with the prescribed standards of the SEC, ICD, and ACGS standards.

In 2021, CLI established and fully implemented its Enterprise Risk Management (ERM) Framework. CLI's ERM Framework is based on ISO 31000:2018, which aims to provide a foundation for effective planning, implementation, monitoring, review, and continued improvement of the organization's risk management. It establishes a methodology for the identification, assessment, and management of risk, responsibilities for risk management, accountabilities for good governance, and mechanisms to report risk-related information.

In 2022, CLI published its first-ever integrated sustainability report in accordance with globally accepted systems and standards for sustainability and corporate disclosure. CLI cross-referenced general and material disclosure topics on the most widely adopted Global Reporting Initiative standards (GRI Standards), the Sustainability Accounting Standards Board (SASB) and the International Integrated Reporting Council (IIRC). CLI's Sustainability Framework interconnects all the aspects of the

Company's operations and provides a snapshot of its EESG profile. It defines the Company's sustainability vision and strategy, goals and objectives, and their alignment and contribution to the UN Sustainable Development Goals (SDGs).

As of the date of this report, CLI believes that it remains to be substantially in compliance with and has no material deviations from its Manual and as such, no sanctions were imposed on any director, officer or employee on account of non-compliance with the same.

Continued improvement of CLI's Corporate Governance

Acknowledging the imperative of robust corporate governance in facilitating sound strategic management and sustainable growth, CLI is fully committed to reinforcing and augmenting its corporate governance framework. This commitment encompasses not only ongoing compliance with applicable laws, regulations, and industry best practices, but also the enhancement of internal controls, risk management processes, investor and stakeholder relations, checks and balances, and organizational policies and procedures.

In recognition of its sustained efforts and enhancements in corporate governance, CLI was conferred a 2-Golden Arrow Recognition for the third consecutive year on October 23, 2025, by the Institute of Corporate Directors (ICD), in recognition of top-performing Philippine publicly listed companies and insurance companies, as evaluated pursuant to the 2024 ASEAN Corporate Governance Scorecard (ACGS) and Corporate Governance Scorecard (CGS) assessment results, respectively.

Independent Directors

Pursuant to the requirements of the Securities Regulation Code (SRC) and the SEC's Code of Corporate Governance for Publicly Listed Companies (PLCs), the Board of Directors comprises five (5) independent directors, constituting one-third of CLI's board membership. CLI's independent directors are Mr. Rufino Luis T. Manotok, Ms. Ma. Aurora D. Geotina-Garcia, Atty. Ma. Jasmine S. Oporto, Dr. Winston Conrad B. Padojinog, and Mr. Eugene S. Acevedo.

The CLI Board re-elected Mr. Rufino Luis T. Manotok as Lead Independent Director. Mr. Manotok is a respected business leader with experience in key positions in major Philippine conglomerates and companies, including roles such as Chairman and President, Senior Managing Director, CFO, and CIO.

CLI's independent directors meet the qualifications and have no disqualifications for their positions. They have no interests or relationships that could compromise their independence from the Company or its management, or impair their ability to exercise independent judgment in fulfilling their duties as directors.

In accordance with CLI's Corporate Governance Manual and policy on setting limit of Board seats, non-executive directors, including independent directors, are limited to serving on a maximum of five (5) publicly-listed companies concurrently. As of December 31, 2025, all non-executive directors of CLI are in compliance with the board directorship limit. No director, executive or non-executive, holds directorships in 5 or more publicly-listed companies, ensuring sufficient time for meeting preparation, challenging management proposals, and overseeing CLI's long-term strategy.

Board Diversity – policy and progress report

To avoid groupthink and ensure that optimal decision-making is achieved, CLI observes a board diversity policy. This policy promotes the selection of a diverse and competent board composition, whereby each director contributes value and independent judgment in the formulation of sound corporate strategies and policies. The policy encompasses diversity in skills, experience, expertise, age, gender, ethnicity, culture, competence, and knowledge. The Board Diversity Policy is integrated into CLI's Manual on Corporate Governance and Board Charter.

As of the date of this publication, the CLI Board comprises eleven (11) individuals possessing diverse skills, cultural backgrounds, ethnicities, competencies, knowledge, and professional, business, and academic credentials. The Board includes highly respected senior executives and seasoned real estate professionals with extensive experience and expertise in various fields, including economics, accounting, finance, management, business administration, communications, manufacturing and

management engineering, agricultural economics, law, and landscape architecture, among other disciplines.

The CLI Board has an optimal mix of youth and experience with ages ranging from 38 to 75. Four (4) of the 11 directors are female.

Corporate Governance Training

CLI's Board Charter and Manual on Corporate Governance stipulate a policy on director training. All newly appointed directors are required to participate in and complete CLI's orientation program, while all other directors are mandated to attend annual corporate governance training. In adherence to best practices, CLI requires directors to fulfill minimum training hour requirements, as follows: first-time directors must complete at least eight (8) hours of corporate governance seminars, and all other directors must complete at least four (4) hours of continuing training per annum, conducted by SEC-accredited providers. The Compliance Officer is responsible for monitoring directors' compliance with this training policy.

For the calendar year 2025, all members of the CLI Board attended the requisite training and seminars, and were duly certified as compliant by the Compliance Officer (refer to the summary table for the listing of CY2025 corporate governance training attended by CLI directors and key officers).

Executive and Board Remuneration

In accordance with CLI's Manual on Corporate Governance, the Board ensures that the remuneration of key officers and Board members is aligned with CLI's long-term interests. The Board has adopted a policy establishing a clear nexus between remuneration and performance. Directors are precluded from participating in discussions or deliberations pertaining to their own remuneration.

CLI's remuneration structure for executive directors and senior executives is performance-based, taking into account individual performance and collective performance of their respective groups/departments, as measured against identified key deliverables and performance indicators aligned with CLI's long-term interests and objectives. This approach is facilitated by CLI's Balanced Scorecard, a tool that ensures rewards and compensation are tied to performance metrics extending beyond short-term financial measures, thereby promoting sustainable growth and alignment with CLI's strategic objectives.

The remuneration of Board members and key officers is overseen by the Compensation and Benefits Committee.

Conflict of Interest

Pursuant to the provisions of CLI's Manual on Corporate Governance and Board Charter, directors having a material interest in a transaction involving the company, or who are confronted with actual or potential conflicts of interest, are required to promptly and fully disclose such interests and are obliged to abstain from participating in its deliberations and decision-making processes.

It is a cornerstone principle of CLI that directors are precluded from utilizing their position to derive personal profit or advantage, or to benefit related interests. He is mandated to avoid situations that may compromise his impartiality. For the calendar year 2025, no transactions existed wherein a CLI director possessed a material interest that could impact the company, nor were there any actual or potential conflicts of interest. CLI directors are further required to notify the Board prior to accepting a directorship in another company. Notably, no executive director serves on more than two boards of listed companies outside the CLI Group.

Meanwhile, CLI discloses related party transactions (RPTs) and other unusual or infrequently occurring transactions in accordance with its RPT Policy, which establishes guidelines, categories, and thresholds governing the review, approval, or ratification of RPTs by the Board and/or CLI shareholders, ensuring that such transactions are properly accounted for and disclosed in compliance with applicable laws and regulations.

Disclosure and Transparency

The CLI Board has existing corporate disclosure policies and procedures in accordance with best practices and regulatory expectations.

All material information pertaining to CLI, which could potentially impact its viability or the interests of its stockholders and other stakeholders, is subject to prompt public disclosure. Such disclosures encompass, inter alia, earnings results, material asset acquisitions or dispositions, off-balance sheet transactions, related-party transactions, and remuneration of Board and Management members, whether direct or indirect. These disclosures are effected through CLI's PSE EDGE portal and/or submissions to the SEC.

The Board is fully committed to ensure the timely and comprehensive disclosure of material information, including transactions involving CLI's shares, and any significant events or facts that may impact the company, such as substantial asset acquisitions or disposals, as well as material non-financial and sustainability issues. Such disclosures are duly filed and submitted via CLI's PSE EDGE portal and/or conveyed to the SEC, in furtherance of transparency and protection of stockholder and stakeholder interests.

CLI maintains a comprehensive and cost-efficient communication channel for disseminating relevant information, encompassing briefings for investors, analysts, and media via teleconference, videoconference, or face-to-face meetings. The company regularly engages the media through press conferences, briefings, news releases, tours, and social events. CLI's CEO, COO, CFO, and/or other senior managers participate in meetings with institutional investors and analysts through pre-arranged seminars or conferences. Additionally, CLI conducts regular investor, analyst, and media tours to showcase property developments. The company publishes electronic newsletters to update stakeholders on its progress and performance. Financial reports, including annual, quarterly, and current disclosures, are uploaded to CLI's website and PSE EDGE portal, ensuring transparency and accessibility.

The following is a summary list of CLI's analyst briefings conducted in 2025:

Description	Date
FY 2024 Investors'/Analysts' Briefing	15 April 2025
CLI Q1 2025 Investors'/Analysts' Briefing	15 May 2025
H1 2025 Investors'/Analysts' Briefing	13 August 2025
9M 2025 Investors'/Analysts' Briefing	13 November 2025

This annual report (SEC Form 17-A) discloses the ownership interests of CLI's controlling shareholders and the degree of ownership concentration. The CLI Group's organizational structure, detailing cross-holdings among affiliates and illustrating the relationship between CLI and its related entities, is appended to the "Report of Independent Auditors to Accompany Supplemental Information Required by the SEC filed separately from the basic Consolidated Financial Statements", and is also attached to this Annual Report. There exists no disparity between the controlling shareholders' voting power and their overall equity position in CLI. In accordance with Section 7, Article III of CLI's By-laws, as amended, each holder of CLI shares is entitled to one (1) vote per share, thereby ensuring alignment of voting rights with equity ownership.

CLI discloses transactions involving the company's shares undertaken by directors, key officers, and controlling shareholders. The company also discloses the shareholdings of directors, management, and its Top 100 shareholders. Furthermore, CLI discloses purchases of its shares from the market in accordance with its share buy-back program, thereby ensuring transparency in its share transactions and ownership structure.

For CLI investor relations / communications and compliance, the following officers may be contacted:

Paquita T. Rafols

Chief Financial Officer and SVP for Accounting
ptrafols@cebulandmasters.com

Emerito M. Purisima

AVP - Investor Relations

empurisima@cebulandmasters.com**Atty. Lou Delianne I. Reboja**

Legal Counsel and Compliance Senior Manager

lireboja@cebulandmasters.com**Internal Control System and Internal Audit functions**

Through its Internal Audit (IA) Department, CLI maintains a "Quality Assurance and Improvement Program" that covers all aspects of the IA Department. The program includes an evaluation of the IA Department's conformance with the standards and an evaluation of whether internal auditors apply the Institute of Internal Auditors' (IIA) Code of Ethics. The program also assesses the efficiency and effectiveness of the IA Department and identify opportunities for improvement.

The Audit Committee, through the IA Department, regularly reviews and evaluates the adequacy and effectiveness of CLI's internal control system.

For CY2025, CLI's Head of the Internal Audit Department is the *ex officio* Chief Audit Executive in the person of Marjorie Jane C. Sistual. She has more than twenty (20) years of internal audit experience. She previously worked in Waterfront Cebu City Hotel & Casino with 5 chain of hotels in various parts of the Philippines, wherein she headed the Corporate Internal Audit Department (CIAD) and focused on fraud and compliance audit. She also joined Moore Stephens Ltd in Singapore for more than ten (10) years where she was involved in internal audit, consultancy, risk management and SOX engagements. She has experience in a wide range of industries including hotels, shipping, oil & gas, real estate, engineering, semiconductor, manufacturing, insurance, logistics, hospitals, non-profit organization, plantations & mill, trading & distribution and retailing. Prior to CLI, she worked in Agusan Plantations, Inc. and was involved in the internal audit of the 4 operating units of palm oil plantations and mills, mainly for exporting of palm kernel oil and crude palm oil products.

The responsibilities of the Chief Audit Executive or the Internal Audit (IA) Head are contained and stipulated in the IA Charter. The appointment and/or removal of the IA Head require approval of CLI's Audit Committee.

The CLI Board regularly conducts review of its material controls, including operational, financial, and compliance controls; and risk management systems. The CLI Board and its Audit Committee affirm that the company has adequate internal control and risk management systems.

Whistle-blowing Policy

In furtherance of CLI's corporate values and commitment to uphold the highest standards of integrity and ethics, and to foster a culture of openness and accountability, unencumbered by fear of reprisal, the Company has instituted a whistle-blowing policy, herein referred to as the "CLI Whistle-Blowing Policy" or the "Policy".

The CLI Whistle-Blowing Policy establishes procedures for reporting actual or suspected misconduct, malpractice, unlawful acts or omissions, and policy violations, with the objective of safeguarding the whistleblower from retaliation. This Policy reinforces CLI's internal feedback mechanism, ensuring that concerns are subject to thorough and impartial investigation.

The coverage of CLI's Whistle-Blowing Policy applies to all CLI employees, regardless of rank and status, members of the Board of Directors and its various committees, suppliers, contractors, customers, and all other stakeholders, and grants them direct access to a unit created to spearhead the implementation of the Policy, i.e., CLI's Whistle-blowing Committee.

CLI's Whistle-blowing Committee is composed of the CEO and the highest-ranking officers from HR, Legal, Internal Audit, and Risk Management.

To ensure confidentiality and provide an avenue for anonymous reporting, CLI created an online form ("Whistle-blower Reporting Form") where all stakeholders can lodge their complaints.

The online "Whistle-blower Reporting Form" can be accessed and accomplished through the link below:

<https://tinurl.com/cliwhistleblowerforms>

All disclosures and reports submitted through the designated online form shall be maintained in confidence, accessible only to CLI's Whistle-blowing Committee. The Committee shall ensure that the whistleblower's identity remains confidential, unless disclosure is absolutely necessary to law enforcement or state authorities, or otherwise with the whistleblower's explicit consent.

CLI's Whistle-blowing Committee shall determine the sufficiency of the complaint and issues involved. The Whistle-blowing Committee shall conduct an initial assessment before endorsing it to the departments concerned for appropriate action. In any case, the Whistle-blowing Committee shall ensure that all reports or cases are attended to, documented, and monitored properly. Findings, recommendations, and final disposition of cases shall be reported either to: (a) the CLI Board of Directors- if it involves an executive with a rank of Vice President and up, CEO, COO, CFO, or (b) CLI Top Management- if it involves person(s) holding any other rank.

CLI's Whistle-Blowing Policy also stipulates a provision on Protection from Retaliation. Pursuant thereto, CLI shall ensure the protection of all whistleblowers from retaliation or retribution, including any forms of discrimination, harassment, intimidation, or adverse personnel action by directors, executives, supervisors, or employees. Anyone who retaliates against a whistleblower who reports an event in good faith is subjected to appropriate disciplinary action. Members of the Whistle-blowing Committee who are subject of the whistle-blowing complaints are mandated to inhibit from its proceedings, in which case their replacements shall be appointed either by the CLI Board or Top Management, depending on who is involved in the complaint.

Compliance Officer

CLI has instituted a formal compliance function, which is subject to regular review and evaluation under the direction of a designated Compliance Officer.

The Compliance Officer is tasked with monitoring, reviewing, evaluating, and ensuring compliance by officers and directors with applicable laws, Corporate Governance Codes, rules, and regulations, as well as governance issuances from regulatory agencies. Furthermore, the compliance function ensures the participation of Board members and key officers in pertinent training programs.

As a component of its compliance program, CLI, through its Compliance Officer, has implemented a comprehensive checklist and monitoring system to ensure adherence to regulatory requirements, informed by extant laws, government issuances, including the Code of Corporate Governance for PLCs, and relevant rules and regulations promulgated by government agencies. The compliance checklist is subject to periodic review and updating by the Office of the Compliance Officer. The CLI Compliance Officer also provides the Board Corporate Governance Committee with updates on CLI's corporate governance and compliance functions, including compliance and submission requirements applicable during the reporting period. Additionally, the Compliance Officer assists the Board and the Corporate Governance Committee in discharging their compliance responsibilities, including the drafting and review of corporate governance policies.

At its organizational meeting held on 14 July 2025, the Board elected Atty. Lou Delianne I. Reboja, CPA, as CLI's Compliance Officer. In accordance with SEC Memorandum Circular No. 19, series of 2016, and relevant issuances, Atty. Reboja is not a member of the Board and is distinct from the Corporate Secretary. She is primarily accountable to the company and its shareholders, and not to the Chairman or President. For Atty. Reboja's educational and professional background, reference is made to the discussion under the section "Executive Officers and Key Personnel".

Corporate Secretary

The CLI Board is assisted by a Corporate Secretary and an Assistant Corporate Secretary, who are both separate individuals from the Compliance Officer. The Corporate Secretary and Assistant Corporate Secretary are not members of the CLI Board. Materials for Board and Committee meetings are distributed by the Secretariat to the directors and respective committee members prior to the meeting date. CLI uses the Diligent Board books, which allows each director and committee member to access and review the meeting materials online through a secure portal.

During its organizational meeting on 11 July 2025, the Board elected Atty. Larri-Nil G. Veloso as CLI's Corporate Secretary. During the same meeting, the Board also elected Atty. John Edmar G. Garde, Atty. Alen Joel R. Pita, and Atty. Edeline O. Cosicol as CLI's Assistant Corporate Secretaries. For the description of the educational and professional background of Atty. Larri-Nil G. Veloso, please refer to the discussion set out under the section "Executive Officers and Key Personnel".

CLI's Corporate Secretary and Asst. Corporate Secretary both attended corporate governance training during CY2025.

Annual performance evaluation

In compliance with its Manual on Corporate Governance and Board Charter, the Board undertook an annual performance evaluation and assessment, encompassing a review and rating of the Board's performance, individual directors, board committees, and the management team led by the CEO.

In coordination with CLI's I.T. Department, the Compliance Officer rolled-out the digitalized performance evaluation and assessment forms, for accomplishment by the required respondents. CLI's evaluation and assessment utilized a 5-point scale rating system, with zero (0) being the lowest (representing "Strongly Disagree" as a response to the statement), and the highest being 5 (representing "Strongly Agree").

A. For the performance assessment and evaluation of the CLI Board

The Board conducted a self-assessment of its performance as a collegial body, and which was participated by all of its members. In evaluating the CLI Board's performance, the following criteria and factors based on the provisions of the CG Code, CLI's Manual on Corporate Governance and Board Charter were considered, among others:

- Role of board and members- clarity of roles, responsibilities, and accountabilities; compliance with disclosure of directorships; conduct of separate periodic meetings of NEDs;
- Performance of the CLI Board- oversee the development of CLI's business and strategy, and monitors its implementation; establishment of board committees and board charters; conduct of annual assessment and performance evaluation; adoption of effective succession planning program;
- Agenda and Minutes- timeliness of the distribution; clarity and sufficiency of information; whether supporting documents are well-organized; accuracy, clarity, and sufficiency of minutes;
- Conduct of meetings- evaluation on whether the Chairperson conducted meetings effectively and efficiently; frequency of meetings; conduct of meetings with quorum; conduciveness of meetings to open and productive discussion of issues;
- Board composition- whether board is still composed of directors with collective working knowledge, experience, or expertise relevant to CLI's industry / sector; sufficiency on number of independent directors; compliance with number of concurrent directorships; presence and qualifications of Lead Independent Director; presence and qualifications of Corporate Secretary and Compliance Officer; and
- Observations and suggestions for improvements.

B. For the performance assessment and evaluation of the individual CLI Directors

The members of the CLI Board conducted a self-assessment of their individual performance. In evaluating their individual performance, the following criteria and factors were considered based on their specific duties and responsibilities provided in the CLI Board Charter and CG Code:

- Duty of Care and Exercise of Integrity- acted on a fully informed basis, in good faith, with due diligence and care; exercise of leadership, prudence, and integrity in directing CLI towards sustained progress;
- Duty of Loyalty and Accountability- acted in the best interest of CLI and all CLI stakeholders, characterized by transparency, accountability, and fairness;
- Fostering Commitment- devotion of time and attention to properly and effectively perform his/her duties and responsibilities, including the attendance and active participation in all meetings, whether in-person or through tele-/video-conferencing;

- Objective and Independent Judgment- exercise of objective and independent judgment on all corporate affairs; abstention in case of conflict of interest;
- Acting judiciously- careful evaluation of issues before rendering decision, and application of high ethical standards taking into account interest of stakeholders;
- Working knowledge- working knowledge of statutory and regulatory requirements relevant to CLI; keeping abreast with industry developments and business trends;
- Observance of confidentiality- keeping secure and confidential all non-public information; non-revealing of confidential information to unauthorized persons;
- Continuing qualification as CLI Director- possession of all the qualifications and none of the disqualifications; and
- Observations and suggestions for improvement of individual performance.

C. For the performance assessment and evaluation of the Board Committees

The Board Committees conducted a self-assessment of their performance, and was participated by all members of the respective committees. In evaluating the Board Committee's performance, the following criteria and factors were considered based on the provisions of the respective Committee Charters and CG Code:

- Role of Committee and Members- clarity of roles; operation in accordance with respective Charters and Manual on Corporate Governance;
- Performance of Committee- evaluation and assessment of each role and responsibility of the respective committees;
- Committee Agenda and Minutes- timeliness of the distribution; clarity and sufficiency of information; whether supporting documents are well-organized; accuracy, clarity, and sufficiency of minutes;
- Conduct of Meetings- evaluation on whether the Chairperson conducted meetings effectively and efficiently; frequency of meetings; conduct of meetings with quorum; conduciveness of meetings to open and productive discussion of issues;
- Committee Composition- right mix of skills, experience, and value-added attributes; working relationship between Chairperson and members; and
- Observations and suggestions for improvement of committee performance

D. For the performance assessment and evaluation of the CEO

The Board conducted an assessment of the performance of the CEO, as the leader of the management team. In evaluating the CLI CEO's performance, the following criteria and factors were considered based on the provisions of the CG Code and CLI's Manual on Corporate Governance:

- Determination of CLI's strategic direction and formulation and implementation of its strategic plans;
- Communication and implementation of CLI's vision, mission, values, and overall strategies;
- Oversees the operations of CLI and manages human and financial resources in accordance with strategic plan;
- Builds the corporate culture and motivates the employees of CLI; and
- Observations and suggestions for improvement of CEO's performance.

The duly accomplished assessment forms were then tabulated, validated, and confirmed by a third party service provider, i.e. Sta. Ana Rivera & Co. Thereafter, the results were submitted to the Office of the Compliance Officer. A summary of the results of the assessments, including the various performance ratings and comments of directors and committee members, were presented and discussed during the respective Corporate Governance Committee and Board meetings.

Resolving Stockholders' Disputes

It is the policy of CLI to resolve disputes or differences with stockholders, if and when such disputes or differences arise, through mutual consultation or negotiation, mediation, or arbitration.

Stockholders who have matters for discussion or concerns directly resulting in the business of the Company may initially elevate such matters or concerns to: (a) the Corporate Secretary; (b) the Investor Relations Officer; (c) Management; or (d) the Board.

Committees of the Board

The CLI Board has fully engaged and functioning board committees which support the effective performance of the Board's functions. CLI's principal board committees include the Audit Committee, Corporate Governance Committee, Related Party Transaction Committee, Risk Oversight Committee, Nomination Committee, and the Compensation and Benefits Committee. All established CLI Committees have their respective committee charters, which state in plain terms their respective purposes, memberships, structures, operations, reporting process, resources, and other relevant information. A brief description of the functions and responsibilities of the key committees are set out below:

A. Audit Committee

The Audit Committee assists the Board in the performance and fulfillment of its oversight responsibility over CLI's financial reporting process, system of internal control, internal and external audit processes, and monitoring of compliance with applicable laws, rules, and regulations. The Audit Committee has oversight over the internal audit team's work and is primarily responsible in recommending the appointment and removal of CLI's external auditor using a robust process for approving and recommending its appointment, reappointment, removal, and fees. The process includes the review and recommendation by the Audit Committee, review and approval of the CLI Board, and further approval and ratification by the CLI shareholders. The Audit Committee also reviews the performance of the external auditor. Pursuant to CLI's Manual on Corporate Governance, the external auditor shall be rotated or changed or the signing partner of the external auditing firm assigned to CLI should be rotated or changed every five (5) years.

In compliance thereto, and commencing with the audit of its FY2023 and FY2024 financial statements (as well as the current FY2025 financial statements), the external auditor, Punongbayan & Araullo (P&A), assigned a new engagement and signing partner in the person of Renan A. Piamonte (CPA Reg. No. 0107805). Prior thereto, and for CLI's FY2021 and FY2022 financial statements, P&A's engagement and signing partner was Mailene Sigue-Bisnar.

The Audit Committee also evaluates and determines the non-audit work, if any, of the external auditor. It approves all non-audit services conducted by the external auditor and disallows the same if it will conflict with its duties as external auditor or will otherwise pose a threat to its independence.

In 2025, CLI incurred ₱13,038,500.00 of Audit and Other fees. The amount includes fees for the special audit of the financial statements for the six-month period ending June 30, 2025 for review of the financial statements in relation to the Company's Sustainability-Linked Bond Offering.

The following is the summary breakdown of the audit and non-audit fees paid to P&A for FY2025 (exclusive of VAT):

• Audit and Audit Related Fees	Php 12,558,500.00
• Non-audit fees	480,000.00
TOTAL fees paid to P&A (FY2024)	Php 13,038,500.00

For the 2024-2025 term, CLI's Audit Committee is composed of five (5) qualified non-executive directors, four (4) of whom, including the Chairperson, are independent directors. All the members of the Audit Committee have relevant background, knowledge, skills and/or experience in the areas of accounting, auditing, and finance. Ma. Aurora D. Geotina-Garcia, the Chairperson of the CLI Audit Committee, is not the Chairman / Chairperson of the CLI Board or of any other committee.

The Audit Committee shall perform the following functions, among others:

1. Assists the Board in the performance of its oversight responsibility over CLI's financial reporting process, system of internal control, internal and external audit process, and monitoring of compliance with applicable laws, rules and regulations.
2. Recommends the approval of CLI's 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, as may be amended from time to time;

3. Through the Internal Audit ("IA") Department, monitors and evaluates the adequacy and effectiveness of the Company's internal control system, integrity of financial reporting, and security of physical and information assets.
4. Oversees CLI's IA Department, and recommends the appointment and/or grounds for approval of an internal audit head or Chief Audit Officer. The Audit Committee shall approve the terms and conditions for outsourcing internal audit services, if deemed necessary;
5. Establishes and identifies the reporting line of the internal auditors and IA Department to enable them to properly fulfill their duties and responsibilities. For this purpose, the internal auditors and IA Department directly report to the Audit Committee;
6. Reviews and monitors management's responsiveness to the internal auditors' findings and recommendations;
7. Prior to the commencement of the audit, discuss with the external auditor the nature, scope and expenses of the audit, and ensure the proper coordination if more than one audit firm is involved in the activity to secure proper coverage and minimize duplication of efforts;
8. Evaluates and determines the non-audit work, if any, of the external auditor, and periodically reviews the non-audit fees paid to the external auditor in relation to the total fees paid to him and to the Company's overall consultancy expenses. The committee shall disallow any non-audit work that will conflict with his duties as an external auditor or may pose a threat to his independence.
9. Reviews and approves the interim and annual financial statements before their submission to the Board.
10. Reviews the disposition of the recommendations in the external auditor's management letter;
11. Performs oversight functions over the Company's internal and external auditors. It ensures the independence of internal and external auditors, and that both auditors are given unrestricted access to all records, properties and personnel to enable them to perform their respective audit functions, taking into consideration relevant Philippine professional and regulatory requirements;
12. Coordinates, monitors and facilitates compliance with laws, rules and regulations; and
13. Recommends to the Board the appointment, reappointment, removal and fees of the external auditor, duly accredited by the SEC, who undertakes an independent audit of the Company, and provides an objective assurance on the manner by which the financial statements should be prepared and presented to the stockholders.

B. Corporate Governance Committee

The CLI Corporate Governance Committee, a fully engaged body, assists the Board in fulfilling its corporate governance oversight responsibilities and ensuring compliance with, and proper observance of, corporate governance principles and practices.

For the 2025-2026 term, the Committee comprises five (5) non-executive directors, four (4) of whom are independent directors. The Chairperson, Dr. Winston Conrad B. Padojinog, is an independent director.

In the area of sustainability, the Corporate Governance Committee is supported by its Sustainability Head, Vera R. Alejandria. Prior to joining CLI, Ms. Alejandria held various positions in Cebu Holdings, Inc. and Ayala Land, Inc. spanning over 27 years, including as Sustainability and Community Relations Manager, Project Lead (Cebu Business District Action Team), Corporate Communication and Customer Affairs Division Manager, and Quality, Environment, Health and Safety Management System Auditor. Ms. Alejandria is a Certified Sustainability Reporting Specialist and Certified Sustainability Assurance Practitioner.

The Corporate Governance Committee shall perform the following functions, among others:

1. Overseeing the implementation of the corporate governance framework and periodically reviews the said framework to ensure that it remains appropriate in light of material changes to the Company's size, complexity and business strategy, as well as its business and regulatory environments; It also monitors key metrics and KPIs by assessing management's performance against approved targets, strategic objectives, and operational benchmarks to promote accountability and effective execution.
2. Overseeing 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. Ensuring 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. Recommending continuing education/training programs for directors, assignment of tasks/projects to board committees, succession plan for the board members and senior officers, and remuneration packages for corporate and individual performance;
5. Adopting corporate governance policies and ensure that these are reviewed and updated regularly, and consistently implemented in form and substance;
6. Proposing and planning relevant trainings for the members of the Board; and
7. Establishing a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers that is consistent with the Company's culture and strategy as well as the business environment in which it operates.

C. Risk Oversight Committee

The Risk Oversight Committee is tasked with ensuring the effective implementation of the Board's risk oversight functions throughout the organization, providing guidance to management in the identification, evaluation, and monitoring of existing and emerging risks, and ensuring its appropriate treatment or mitigation.

For the 2025-2026 term, the Committee comprises five (5) qualified non-executive directors, all of whom, including the Chairperson, are independent directors. The members, all experienced executives with key positions in other publicly listed companies, possess thorough knowledge and experience in risk and risk management.. The Chairperson of the Risk Oversight Committee, Atty. Ma. Jasmine S. Oporto is a certified Compliance & Risk Management Professional under the GRC Institute of Australia.

D. Finance and Investments Committee

CLI's Finance and Investments Committee shall assist the Board of Directors to oversee the Company's financial resources; guide its capital planning, strategy and management; and direct administration of its financial assets and liabilities. The aim is to ensure maximum return on investment for its shareholders at an acceptable risk/reward profile to optimize the value of the Company. The Committee shall review and monitor financial resources and investments from the corporate, entity, and project levels.

CLI's Finance and Investments Committee undertakes the review and evaluation of CLI's financial and investment decisions. Management presents the various undertakings that may affect the financial position of the company, which are then endorsed for ratification and/or approval by the Board.

For the 2025-2026 term, CLI's Finance and Investments Committee is composed of five (5) qualified non-executive directors, four (4) of whom, including the Chairperson, are independent directors. Eugene S. Acevedo, the Chairperson of the CLI Finance and Investments Committee, is not the Chairman / Chairperson of the CLI Board or of any other committee.

E. Related Party Transaction Committee

The CLI Related Party Transaction (RPT) Committee is mandated with reviewing all material related party transactions to ensure that they are conducted on an arm's length basis, with terms no more favorable than those afforded to unrelated third parties under similar circumstances.

CLI discloses its policies governing RPTs and other unusual or infrequently occurring transactions in its Manual on Corporate Governance. CLI's RPT Policy outlines guidelines, categories, and thresholds for reviewing, approving, or ratifying RPTs by the Board and/or shareholders, ensuring compliance with laws and regulations. The Manual on Corporate Governance also requires directors with material interest in a transaction or conflict of interest situations to fully disclose and abstain from deliberations.

CLI's RPT Committee conducts quarterly reviews and evaluations of CLI's related-party transactions. Management presents the various RPTs to the Committee, either for informational purposes (if below the threshold) or for approval (if exceeding the RPT thresholds), which are subsequently endorsed to the Board for ratification and/or approval.

For the 2025-2026 term, CLI's RPT Committee is composed of five (5) qualified non-executive directors, all of which, including the Chairperson, are independent directors. Rufino Luis T. Manotok, the Chairperson of the CLI RPT Committee, is not the Chairman / Chairperson of the CLI Board or of any other committee.

F. Nomination Committee

The Nomination Committee is tasked with nominating and vetting prospective director nominees for the CLI Board. The Committee is responsible for enforcing and implementing CLI's formal and transparent nomination and election policy, which encompasses criteria for selecting new directors and procedures for shareholder nominations.

The nomination and election process includes the review and evaluation of the qualifications of all persons nominated to the Board, including whether candidates: (1) possess the knowledge, skills, experience, and particularly in the case of non-executive directors, independence of mind given their responsibilities to the Board and in light of the entity's business and risk profile; (2) have a record of integrity and good repute; (3) have sufficient time to carry out their responsibilities; and (4) have the ability to promote a smooth interaction between and among Board members. Only a stockholder of record entitled to notice and to vote at the regular or special meeting of the stockholders for the election of directors shall be qualified to be nominated and elected as a director of the company.

For the 2025-2026 term, the Nomination Committee is composed of three (3) qualified directors, including the Lead Independent Director, Mr. Rufino Luis T. Manotok, as the Chairperson.

G. Compensation and Benefits Committee

The Compensation and Benefits Committee provides direct assistance to the Board in determining the general principles and structure underlying the rationalization of remuneration, compensation, and benefits for all CLI employees across the organization. The Committee also oversees the administration and implementation of CLI's remuneration, compensation, and benefits programs.

For the 2025-2026 term, the Compensation and Benefits Committee is composed of three (3) qualified directors including its Non-Executive Director, Mr. Stephen Tan, as the Chairperson.

CY2025 Board and Committee Membership, Meetings, and Attendance

CLI directors dedicate sufficient time and attention to the diligent and effective discharge of their respective duties and functions. Accordingly, CLI directors attended and actively participated in all meetings of the Board, Committees, and shareholders, either in person or through tele-/video-conferencing conducted in accordance with SEC rules and regulations. Meetings conducted via teleconferencing and/or videoconferencing are properly recorded, with tapes, discs, and/or other recording materials duly stored for safekeeping, in addition to the secretariat maintaining written minutes of the meeting.

Materials for CLI Board and Committee meetings are distributed to directors and committee members prior to meeting date. CLI uses the Diligent Board books which allows each director and committee member to access and review the meeting materials online through a secure portal.

In keeping with its duties to act responsibly and judiciously, CLI directors, before deciding on any matter brought to the Board, carefully evaluate the issues, make inquiries, and request clarification and apply high ethical standards, taking into account the interest of stakeholders. CLI does not have shareholder agreements, by-law provisions, or other arrangements that constrain the directors' ability to vote independently.

The following is a summary of the Board and Committee membership, meetings, and attendance for the calendar year 2025:

Board of Directors	Position	Meetings Attended
Jose R. Soberano III	Chairman	7 out of 7
Ma. Rosario B. Soberano	Member	7 out of 7
Jose Franco B. Soberano	Member	7 out of 7
Joanna Marie S. Bergundthal	Member	6 out of 7
Beauregard Grant L. Cheng	Member	7 out of 7
Rufino Luis T. Manotok	Lead Independent Director	7 out of 7
Ma. Aurora D. Geotina-Garcia	Independent Director	6 out of 7
Ma. Jasmine S. Oporto	Independent Director	7 out of 7
Dr. Winston Conrad B. Padojinog	Independent Director	3 out of 3
Eugene S. Acevedo	Independent Director	3 out of 3
Stephen A. Tan	Non-Executive Director	7 out of 7

Audit Committee	Position	Meetings Attended
Ma. Aurora D. Geotina-Garcia	Chairperson	5 out of 5
Rufino Luis T. Manotok	Member	5 out of 5

Dr. Winston Conrad B. Padojinog	Member	2 out of 2
Eugene S. Acevedo	Member	2 out of 2
Ma. Jasmine S. Oporto	Member	5 out of 5
Stephen A. Tan	Member	5 out of 5

Corporate Governance Committee	Position	Meetings Attended
Dr. Winston Conrad B. Padojinog	Chairperson	2 out of 2
Ma. Jasmine S. Oporto	Member	4 out of 4
Rufino Luis T. Manotok	Member	2 out of 2
Ma. Aurora D. Geotina-Garcia	Member	4 out of 4
Stephen A. Tan	Member	4 out of 4
Eugene S. Acevedo	Member	2 out of 2

Risk Oversight Committee	Position	Meetings Attended
Ma. Jasmine S. Oporto	Chairperson	4 out of 4
Rufino Luis T. Manotok	Member	4 out of 4
Ma. Aurora D. Geotina-Garcia	Member	4 out of 4
Stephen A. Tan	Member	2 out of 2
Dr. Winston Conrad B. Padojinog	Member	2 out of 2

Eugene S. Acevedo	Member	2 out of 2

RPT Committee	Position	Meetings Attended
Rufino Luis T. Manotok	Chairperson	4 out of 4
Dr. Winston Conrad B. Padojinog	Member	2 out of 2
Ma. Aurora D. Geotina-Garcia	Member	4 out of 4
Ma. Jasmine S. Oporto	Member	4 out of 4
Eugene S. Acevedo	Member	2 out of 2

Finance Committee	Position	Meetings Attended
Eugene S. Acevedo	Chairperson	2 out of 2
Dr. Winston Conrad B. Padojinog	Member	2 out of 2
Ma. Jasmine S. Oporto	Member	3 out of 3
Rufino Luis T. Manotok	Member	3 out of 3
Stephen A. Tan	Member	3 out of 3

Nomination Committee	Position	Meetings Attended
Rufino Luis T. Manotok	Chairperson	1 out of 1
Jose R. Soberano III	Member	1 out of 1
Ma. Rosario B. Soberano	Member	1 out of 1

Compensation & Benefits Committee	Position	Meetings Attended
Stephen A. Tan	Chairperson	3 out of 3
Ma. Rosario B. Soberano	Member	2 out of 3
Joanna Marie S. Bergundthal	Member	3 out of 3

Participation of Directors and Key Officers in CY2025 Corporate Governance Training and Seminars

Directors and Key Officers	Seminar / Training	Date	Organizer
Rufino Luis T. Manotok	Corporate Governance Training for the Board of Directors and Senior Management of the Metrobank Group	24 October 2025	Reyes Tacandong & Co.
Ma. Aurora D. Geotina-Garcia	ICD: GIAS Executive Briefing: Transform Your Governance Strategy	23 September 2025	Institute of Corporate Directors
	PSI - ICD Seminar on Cyber Security	17 October 2025	Institute of Corporate Directors
	12th SEC Corporate Governance Forum	21 November 2025	Securities and Exchange Commission
Atty. Ma. Jasmine S. Oporto	12th SEC Corporate Governance Forum	21 November 2025	Securities and Exchange Commission
Stephen A. Tan	Advanced Corporate Governance Training	05 December 2025	Institute of Corporate Directors
Eugene S. Acevedo	Onboarding & Briefing of the New CLI Independent Directors	11 August 2025	Cebu Landmasters, Inc.
	2025 YGC Annual Corporate Governance Seminar	27 September 2025	Yuchengco Group of Companies

Winston Conrad B. Padojinog	Onboarding & Briefing of the New CLI Independent Directors	11 August 2025	Cebu Landmasters, Inc.
	Advanced Corporate Governance Training	05 December 2025	Institute of Corporate Directors
Jose R. Soberano III	Advanced Corporate Governance Training	05 December 2025	Institute of Corporate Directors
Ma. Rosario B. Soberano	Advanced Corporate Governance Training	05 December 2025	Institute of Corporate Directors
Jose Franco B. Soberano	Advanced Corporate Governance Training	05 December 2025	Institute of Corporate Directors
Joanna Marie S. Bergundthal	Advanced Corporate Governance Training	05 December 2025	Institute of Corporate Directors
Beauregard Grant L. Cheng	Advanced Corporate Governance Training	05 December 2025	Institute of Corporate Directors
Atty. Larri-Nil G. Veloso (Corporate Secretary)	Advanced Corporate Governance Training	05 December 2025	Institute of Corporate Directors
Atty. Lou Delianne I. Reboja (Compliance Officer)	ASEAN Corporate Governance Scorecard Workshop for PLCs	March 5-6, 2026	Institute of Corporate Directors
	Advanced Corporate Governance Training	05 December 2025	Institute of Corporate Directors

G. Penalties for Non-compliance with the Manual on Corporate Governance

In case of violation of any of the provisions of the Manual on Corporate Governance, the following penalties shall be imposed, after due notice and hearing, on the Company's directors, officers, and employees:

1. First Violation – reprimand;
2. Second Violation – suspension from office, the duration of which shall depend on the gravity of the violation; and
3. Third Violation – removal from office.

The Compliance Officer shall be responsible in determining violation/s after due notice and hearing, and shall recommend to the Chairman of the Board the imposable penalty for such violation, for further review and approval of the Board.

PART V – EXHIBITS AND SCHEDULES

ITEM 14. EXHIBITS

The schedules required by SRC Rule 68 be presented is included/shown in the related consolidated financial statements or in the notes thereto.

ITEM 15. REPORTS ON SEC FORM 17-C

CLI has submitted and filed all necessary SEC Form 17-C (Current Reports). All current reports are published and uploaded to the PSE Electronic Disclosure Generation Technology (EDGE) portal and/or submitted to the Information & Communications Technology Department (ICTD) electronic mail address of the SEC.

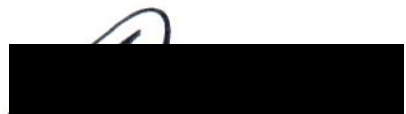
SIGNATURES

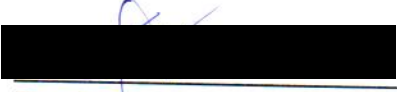
Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report is signed on behalf of the issuer by the undersigned, thereunto duly authorized, in the City of **Cebu City**, on APR 14 2026.

By:


Jose R. Soberano, III
President and CEO


Ma. Rosario B. Soberano
Senior Executive VP and Treasurer


Jose Franco B. Soberano
Senior Executive VP and COO


Paquita Tigue-Rafols
FVP-Accounting & Finance and
Chief Financial Officer


Atty. Larri-Nil G. Veloso
Corporate Secretary

SUBSCRIBED AND SWORN to before me this APR 14 2026 day of _____, 20__ affiant(s) exhibiting to me his/their Residence Certificates as follows:

NAMES	ID NO.	DATE OF ISSUE	PLACE OF ISSUE
Jose R. Soberano, III	P6678430B	APRIL 21, 2021	Cebu City, Philippines
Ma. Rosario B. Soberano	P6678357B	APRIL 21, 2021	Cebu City, Philippines
Jose Franco B. Soberano	P8869098B	FEB. 8, 2022	Manila, Philippines
Paquita Tigue-Rafols	P5889133A	FEB. 2, 2018	Cebu City, Philippines
Atty. Larri-Nil G. Veloso	P0275779B	JAN 17, 2019	Cebu City, Philippines

Witness my hand and seal on the date and place abovementioned.

Doc. No. 230
Page No. 47
Book No. 4
Series of 2026.




ATTY. ALLEN JOEL R. PITA
Notary Public
Notarial Commission No. 116-25, Cebu City
Valid until December 31, 2026
Roll of Attorneys No. 72443
MCLE Compliance No. VIII-0028482, issued on 04-16-2025
PTR No. 1580268 : 12-12-2025, Cebu Province
IBP No. 568400 : 12-19-2025, Cebu Chapter
Room 1706 17th Floor Park Centrale Tower,
J.M. Del Mar St., Cebu I.T. Park, Apas, Cebu City

COVER SHEET

for
AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	0	3	2	1	2	4	0

Company Name

C	E	B	U		L	A	N	D	M	A	S	T	E	R	S	,		I	N	C	.		A	N	D				
S	U	B	S	I	D	I	A	R	I	E	S		(	A		S	u	b	s	i	d	i	a	r	y		o	f	
A		B		S	o	b	e	r	a	n	o		H	o	l	d	i	n	g	s		C	o	r	p	.	)		

Principal Office (No./Street/Barangay/City/Town)Province)

1	0	T	H		F	L	O	O	R		P	A	R	K		C	E	N	T	R	A	L	E		T	O	W	E	R
J	O	S	E		M	A	.		D	E	L		M	A	R		S	T	.		B	2		L	3	,			
C	E	B	U		I	.	T	.		P	A	R	K	,		B	R	G	Y	.		A	P	A	S	,			
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Form Type

A	F	S	2	5

Department requiring the report

S	E	C	

Secondary License Type, If Applicable

COMPANY INFORMATION

Company's Email Address

jggarde@cebulandmasters.com

Company's Telephone Number/s

(032) 231 4870

Mobile Number

N/A

No. of Stockholders

21

Annual Meeting
Month/Day

1st Friday of July

Fiscal Year
Month/Day

12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Jose R. Soberano III

Email Address

ceo@cebulandmasters.com

Telephone Number/s

(032) 231 4870

Mobile Number

Contact Person's Address

10th floor, Park Centrale Tower, Jose Ma. del Mar St., B2 L3, Cebu I.T. Park, Brgy. Apas, Cebu City

Note: 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.

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

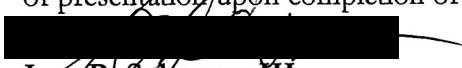
The management of **Cebu Landmasters, Inc. and Subsidiaries** (the Group) is responsible for the preparation and fair presentation of the consolidated financial statements, including the schedules attached therein, for the years ended December 31, 2025, 2024 and 2023, in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of 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 to do so.

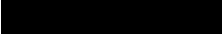
The Board of Directors is responsible for overseeing the Group's financial reporting process.

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

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the consolidated financial statements of the Group in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.


Jose R. Soberano III

Chairman of the Board, Chief Executive Officer and President

TIN: 


Ma. Rosario B. Soberano

Executive Vice President and Treasurer

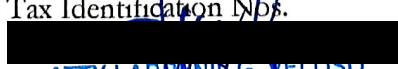
TIN: 


Paquita Tigay-Rafols

Chief Financial Officer

TIN: 

Signed this 7th day of April 2026.

SUBSCRIBED AND SWORN to before me this APR 07 2026 at Cebu City,
affiants exhibiting to me their respective Tax Identification Nos. 

Doc No. 241;

Page No. 70;

Book No. 15;

Series of 2026

ATTY LARRIN G. YELOSU

Notary Public

Talisay City and Naga City, Cebu

Commission No. 2017-05-EJ | December 31, 2026

Roll of Attorneys No. 58901

MCLE Compliance No. VIII-0033036; issued on 05-09-2025

PTR No. 1560269; 12-12-2025; Cebu Province

IBP No. 587656; 01-05-2026; Cebu Chapter

Block 1, Lot 11, San Josemaria Village, Maghaway,

10th Floor, Park Central, J.M. Del Mar St., Cebu I.T. Park, Apas, Cebu City

Tel. No. (032) 231 - 4914 & (032) 231 - 4870 or Telefax (032) 231 - 5073

Consolidated Financial Statements and
Independent Auditors' Report

Cebu Landmasters, Inc. and Subsidiaries

December 31, 2025, 2024 and 2023

(With Corresponding Figures as at January 1, 2024)

Report of Independent Auditors

Punongbayan & Araullo

20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

The Board of Directors and Stockholders
Cebu Landmasters, Inc. and Subsidiaries
(A Subsidiary of A B Soberano Holdings Corp.)

10th Floor, Park Centrale Tower
Jose Ma. Del Mar St., B2 L3
Cebu I.T. Park, Brgy. Apas
Cebu City

Opinion

We have audited the consolidated financial statements of Cebu Landmasters, Inc. and Subsidiaries (collectively referred to herein as the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of profit or loss, 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 consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for each of 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 (PSA). Our responsibilities under those standards are further described in the *Auditors' 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 audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of the consolidated financial statements of public interest entities in the Philippines. We have also 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.

(a) Revenue Recognition for Real Estate Sales***Description of the Matter***

We considered the Group's recognition of revenue from real estate sales a key audit matter due to high volume of transactions and the significant amount involved. In 2025, the Group's revenue from real estate sales amounted to P15.8 billion, which accounts for 85% of the Group's total revenues.

The Group uses the percentage of completion (POC) method to calculate contract revenues for the reporting period. This process involves complex application of revenue recognition standards, requiring significant management judgment, particularly in assessing the probability of collecting contract prices and estimating the stage of project completion. An error in the application of the requirements of said standards, and of management judgments and estimates could lead to material misstatement in the consolidated financial statements.

The Group's accounting policies on recognition of revenue from real estate sales as well as the basis of significant judgments and estimates, are disclosed in Notes 2 and 3 to the consolidated financial statements, respectively.

How the Matter was Addressed in the Audit

To address the risk of material misstatements in revenue recognition, we tested the design and operating effectiveness of relevant controls, including information technology (IT) general controls, for processes relating to generation and recognition of contract revenue. In addition, we reviewed sales agreements, on a sampling basis, and the relevant facts and circumstances about the real estate transactions to assess compliance with the criteria for revenue recognition. We have also analyzed management's judgment in determining the probability of collection of the contract price by reviewing historical customer payment pattern.

To evaluate progress toward fulfilling performance obligations using the input method, we tested the progress reported for the year by comparing actual costs incurred to total budgeted project development costs. Our procedures include understanding of relevant controls over recording of costs and examining supporting documents. We inspected selected projects under development to evaluate if the completion based on costs is aligned with the physical completion of the project. In testing the reasonableness of budgetary estimates, we assessed the qualifications of project engineers who prepared the budgets and reviewed the actual performance of completed projects with reference to their budgeted costs. In addition, for selected projects, we considered corroborative inputs, including assessments performed by independent engineers with relevant expertise engaged by our team, to support our evaluation of reported project progress.

(b) Existence and Valuation of Real Estate Inventories***Description of the Matter***

Real estate inventories amount to P21.2 billion, which accounts for 37% of total current assets and 16% of total assets of the Group, as at December 31, 2025. Due to its significant impact on the consolidated financial statements and the level of judgment involved in determining project costs, we identified existence and valuation of real estate inventories, including construction-in-progress, as a key audit matter.

The valuation of real estate inventories is primarily driven by the proper accumulation and recording of project development costs, including management's estimates of unbilled materials and contractors' services at the end of the reporting period. Errors in identifying or estimating such unbilled materials and services could have a material impact on the carrying value of real estate inventories as well as the determination of POC and cost of real estate sales.

In addition, the existence of real estate inventories also requires significant audit consideration because the Group's real estate projects are spread across various locations and are at different stages of completion. This increases the risk that the physical progress of projects may not be consistent with the costs recorded in the consolidated financial statements and therefore required significant auditor attention.

The Group's policy on accounting for real estate inventories is disclosed in Notes 2 and 3 to the consolidated financial statements and an analysis of the assets' components is presented in Note 7.

How the Matter was Addressed in the Audit

To address the risk of material misstatements in the existence and valuation of real estate inventories, we tested the design and operating effectiveness of relevant controls, including information technology (IT) general controls over the initiation of purchases, recording of project costs, and allocation of costs to real estate inventories.

To address existence, we performed site inspections of selected projects near year-end to observe the actual physical progress of construction. We compared our observations with management's reported project status and reviewed supporting documents, including land titles, project progress reports, and contractors' accomplishment billings, to corroborate the existence of inventories.

To address valuation, we evaluated management's estimates of unbilled materials and contractors' services by reviewing the basis of such estimates and assessing the competence of project engineers responsible for preparing them. For selected projects, we compared the reported project progress with evidence obtained from site observations, contractor confirmations, and approved accomplishment reports and applied professional judgment in assessing whether the accumulated costs appropriately reflects the stage of completion. We also assessed the reasonableness of project budgets by reviewing the basis for their preparation and performing retrospective reviews to identify patterns of estimation bias.

Where considered necessary, we used specialists, including independent engineers engaged by the audit team, to corroborate management's assessment of project status and to support our evaluation of the stage of completion and related cost recognition.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's Securities and Exchange Commission (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 auditors' report thereon. The 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 auditors' report.

Our opinion on the consolidated financial statements does not cover the 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 the other 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 the 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.

Auditors' 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 auditors' 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 PSA 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 PSA, 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 auditors' 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 auditors' 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

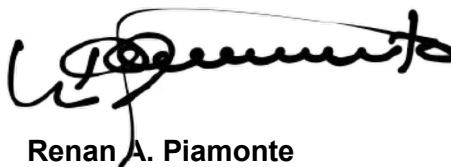
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 auditors' report unless law or regulation precludes public disclosure about the matter or when, 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 audits resulting in this independent auditors' report is Renan A. Piamonte.

PUNONGBAYAN & ARAULLO



By: Renan A. Piamonte
Partner

CPA Reg. No. 0107805

TIN 221-843-037

PTR No. 10770769, January 6, 2026, Makati City

SEC Group A Accreditation

Partner - No. 107805-SEC (until financial period 2025)

Firm - No. 0002 (until financial period 2030)

BIR AN 08-002551-037-2025 (until August 6, 2028)

BOA/PRC Cert. of Reg. No. 0002/P-010 (until August 12, 2027)

April 7, 2026

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024
(With Corresponding Figures as at January 1, 2024)
(Amounts in Philippine Pesos)

			December 31, 2024 (As Restated – see Note 2)	January 1, 2024 (As Restated – see Note 2)
A S S E T S	Notes	2025		
CURRENT ASSETS				
Cash and cash equivalents	5	P 3,040,615,556	P 1,583,238,995	P 913,841,206
Receivables - net	6	4,707,683,379	4,481,590,912	2,093,139,231
Contract assets	18	17,104,926,866	20,843,159,851	26,225,182,718
Real estate inventories	7	21,173,330,063	13,080,093,413	17,055,281,651
Deposits on land for future development	8	782,304,850	-	15,000,000
Due from related parties	26	78,394,118	53,425,348	48,596,767
Prepayments and other current assets	9	10,463,495,982	7,361,411,891	6,434,166,661
		<u>57,350,750,814</u>	<u>47,402,920,410</u>	<u>52,785,208,234</u>
Non-current asset held-for-sale	10	-	237,832,347	-
Total Current Assets		<u>57,350,750,814</u>	<u>47,640,752,757</u>	<u>52,785,208,234</u>
NON-CURRENT ASSETS				
Receivables - net	6	1,516,846,742	128,161,471	156,093,837
Contract assets	18	38,497,094,963	28,583,967,809	18,868,803,692
Investments in associates and a joint venture	10	175,275,580	784,885,021	142,489,432
Property and equipment - net	11	12,969,185,066	10,202,062,196	8,202,968,588
Right-of-use assets	12	1,056,794,863	1,094,503,157	1,129,605,407
Investment properties - net	13	21,026,009,305	18,408,287,285	17,372,941,737
Other non-current assets - net	14	1,565,352,088	2,159,905,146	1,789,963,392
Total Non-current Assets		<u>76,806,558,607</u>	<u>61,361,772,085</u>	<u>47,662,866,085</u>
TOTAL ASSETS		<u>P 134,157,309,421</u>	<u>P 109,002,524,842</u>	<u>P 100,448,074,319</u>
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Interest-bearing loans and borrowings	15	P 6,797,561,915	P 10,115,412,966	P 11,567,153,371
Bonds payable	16	2,763,194,048	-	-
Trade and other payables	17	29,751,973,554	21,052,145,479	22,780,790,598
Contract liabilities	18	345,034,388	296,265,114	449,338,207
Customers' deposits	18	130,665,228	90,223,203	144,003,765
Lease liabilities	12	70,824,271	57,922,896	55,717,884
Income tax payable		39,229,491	15,988,162	2,210,977
Total Current Liabilities		<u>39,898,482,895</u>	<u>31,627,957,820</u>	<u>34,999,214,802</u>
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings	15	39,976,233,296	34,536,666,965	30,621,692,365
Bonds payable	16	11,111,294,563	4,964,768,926	4,947,822,521
Trade and other payables	17	566,795,667	540,289,379	185,420,132
Lease liabilities	12	1,245,462,755	1,233,425,726	1,207,138,171
Post-employment defined benefit obligation	24	59,610,163	40,309,395	10,395,914
Deferred tax liabilities - net	25	6,572,676,251	5,752,987,226	5,023,279,337
Total Non-current Liabilities		<u>59,532,072,695</u>	<u>47,068,447,617</u>	<u>41,995,748,440</u>
Total Liabilities		<u>99,430,555,590</u>	<u>78,696,405,437</u>	<u>76,994,963,242</u>
EQUITY				
Equity attributable to shareholders of Parent Company	27	22,411,230,806	20,345,576,387	14,232,257,548
Non-controlling interests		12,315,523,025	9,960,543,018	9,220,853,529
Total Equity		<u>34,726,753,831</u>	<u>30,306,119,405</u>	<u>23,453,111,077</u>
TOTAL LIABILITIES AND EQUITY		<u>P 134,157,309,421</u>	<u>P 109,002,524,842</u>	<u>P 100,448,074,319</u>

See Notes to Consolidated Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF PROFIT OR LOSS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

			2024	
	Notes	2025	(As Restated – see Note 2)	2023
REVENUES	18			
Sale of real estates		P 15,798,457,213	P 16,415,753,362	P 16,460,800,115
Interest income from real estate sales		1,984,117,166	1,764,731,066	2,047,501,971
Hotel operations		430,874,739	240,468,442	138,551,300
Rental		226,552,155	162,412,193	112,343,856
Management fees		77,427,129	63,932,835	59,216,126
		<u>18,517,428,402</u>	<u>18,647,297,898</u>	<u>18,818,413,368</u>
COST OF SALES AND SERVICES	19	(9,007,186,507)	(8,877,627,359)	(8,402,799,914)
GROSS PROFIT		9,510,241,895	9,769,670,539	10,415,613,454
OPERATING EXPENSES	20	(3,852,350,893)	(3,200,859,672)	(2,784,634,909)
OTHER OPERATING INCOME	21	2,223,442,777	851,614,319	410,779,779
OPERATING PROFIT		7,881,333,780	7,420,425,186	8,041,758,324
FINANCE COSTS	22	(2,370,469,474)	(2,188,102,745)	(2,357,079,962)
FINANCE INCOME	23	64,338,153	24,035,404	14,983,406
SHARE IN NET PROFIT (LOSS) OF ASSOCIATES AND A JOINT VENTURE	10	208,363	(2,879,180)	(12,570,144)
IMPAIRMENT LOSS ON FINANCIAL ASSETS	6	(1,980,540)	(566,025)	(432,793)
OTHER LOSSES - Net	21	(59,493,312)	(25,133,336)	(3,809,681)
PROFIT BEFORE TAX		5,513,936,970	5,227,779,304	5,682,849,150
TAX EXPENSE	25	(1,484,395,193)	(1,229,930,327)	(1,847,179,153)
NET PROFIT		<u>P 4,029,541,777</u>	<u>P 3,997,848,977</u>	<u>P 3,835,669,997</u>
Net profit attributable to:				
Parent Company's shareholders		P 3,036,652,835	P 3,009,909,488	P 2,794,959,153
Non-controlling interests		<u>992,888,942</u>	<u>987,939,489</u>	<u>1,040,710,844</u>
		<u>P 4,029,541,777</u>	<u>P 3,997,848,977</u>	<u>P 3,835,669,997</u>
Earnings per Share –				
Basic and diluted	28	<u>P 0.78</u>	<u>P 0.72</u>	<u>P 0.81</u>
Dividends Declared per Share:	27			
Common shares		<u>P 0.18</u>	<u>P 0.18</u>	<u>P 0.18</u>
Preferred shares:				
Series A-1 (CLIA1)		<u>P 75.84</u>	<u>P 113.77</u>	<u>P -</u>
Series A-2 (CLIA2)		<u>P 82.52</u>	<u>P 123.78</u>	<u>P -</u>

See Notes to Consolidated Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
NET PROFIT		P 4,029,541,777	P 3,997,848,977	P 3,835,669,997
OTHER COMPREHENSIVE LOSS				
Item that will not be reclassified subsequently to profit or loss				
Loss on remeasurements of post-employment defined benefit plan	24	(12,310,753)	(21,868,779)	(5,836,964)
Tax income	25	<u>3,077,688</u>	<u>5,467,195</u>	<u>1,459,241</u>
		(<u>9,233,065</u>)	(<u>16,401,584</u>)	(<u>4,377,723</u>)
TOTAL COMPREHENSIVE INCOME		P <u>4,020,308,712</u>	P <u>3,981,447,393</u>	P <u>3,831,292,274</u>
Total comprehensive income attributable to:				
Parent Company's shareholders		P 3,027,419,770	P 2,993,507,904	P 2,790,581,430
Non-controlling interests		<u>992,888,942</u>	<u>987,939,489</u>	<u>1,040,710,844</u>
		P <u>4,020,308,712</u>	P <u>3,981,447,393</u>	P <u>3,831,292,274</u>

See Notes to Consolidated Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Attributable to Shareholders of Parent Company									Non-controlling Interests (see Note 27)	Total
	Capital Stock (see Note 27)	Additional Paid-in Capital (see Note 27)	Treasury Stock (see Note 27)	Share Options Outstanding (see Note 27)	Revaluation Reserves (see Note 27)	Retained Earnings (see Note 27)			Total		
						Appropriated	Unappropriated	Total			
Balance at January 1, 2025	P 3,627,732,337	P 5,855,925,221	(P 732,664,604)	P 5,681,640	(P 34,689,808)	P 3,223,719,308	P 8,399,872,293	P 11,623,591,601	P 20,345,576,387	P 9,960,543,018	P 30,306,119,405
Transactions with owners											
Non-controlling interests arising from step acquisition	-	-	-	-	-	-	-	-	-	1,415,278,385	1,415,278,385
Investments from non-controlling stockholders	-	-	-	-	-	-	-	-	-	800,812,680	800,812,680
Cash dividends	-	-	-	-	-	-	(963,142,965)	(963,142,965)	(963,142,965)	(854,000,000)	(1,817,142,965)
Stock option granted	-	-	-	1,377,615	-	-	-	1,377,615	1,377,615	-	1,377,615
	-	-	-	1,377,615	-	-	(963,142,965)	(963,142,965)	(961,765,350)	1,362,091,065	400,325,715
Appropriation of retained earnings											
Appropriations during the year	-	-	-	-	-	3,236,320,375	(3,236,320,375)	-	-	-	-
Reversal of appropriations during the year	-	-	-	-	-	(1,693,661,345)	1,693,661,345	-	-	-	-
	-	-	-	-	-	1,542,659,030	(1,542,659,030)	-	-	-	-
Total comprehensive income for the year											
Net profit for the year	-	-	-	-	-	-	3,036,652,835	3,036,652,835	3,036,652,835	992,888,942	4,029,541,777
Other comprehensive loss	-	-	-	-	(9,233,065)	-	-	-	(9,233,065)	-	(9,233,065)
	-	-	-	-	(9,233,065)	-	3,036,652,835	3,036,652,835	3,027,419,770	992,888,942	4,020,308,712
Balance at December 31, 2025	P 3,627,732,337	P 5,855,925,221	(P 732,664,604)	P 7,059,255	(P 43,922,873)	P 4,766,378,338	P 8,930,723,133	P 13,697,101,471	P 22,411,230,806	P 12,315,523,025	P 34,726,753,831
Balance at January 1, 2024	P 3,623,451,997	P 1,608,917,974	(P 732,664,604)	P 4,311,977	(P 18,288,224)	P 6,914,803,006	P 2,831,725,422	P 9,746,528,428	P 14,232,257,548	P 9,220,853,529	P 23,453,111,077
Transactions with owners											
Issuance of preferred shares	4,280,340	4,247,007,247	-	-	-	-	-	-	4,251,287,587	-	4,251,287,587
Investments from non-controlling stockholders	-	-	-	-	-	-	-	-	-	32,500,000	32,500,000
Cash dividends	-	-	-	-	-	-	(1,132,846,315)	(1,132,846,315)	(1,132,846,315)	(280,750,000)	(1,413,596,315)
Stock option granted	-	-	-	1,369,663	-	-	-	-	1,369,663	-	1,369,663
	4,280,340	4,247,007,247	-	1,369,663	-	-	(1,132,846,315)	(1,132,846,315)	3,119,810,935	(248,250,000)	2,871,560,935
Appropriation of retained earnings											
Reversal of appropriations during the year	-	-	-	-	-	(3,691,083,698)	3,691,083,698	-	-	-	-
Total comprehensive income for the year											
Net profit for the year	-	-	-	-	-	-	3,009,909,488	3,009,909,488	3,009,909,488	987,939,489	3,997,848,977
Other comprehensive loss	-	-	-	-	(16,401,584)	-	-	-	(16,401,584)	-	(16,401,584)
	-	-	-	-	(16,401,584)	-	3,009,909,488	3,009,909,488	2,993,507,904	987,939,489	3,981,447,393
Balance at December 31, 2024	P 3,627,732,337	P 5,855,925,221	(P 732,664,604)	P 5,681,640	(P 34,689,808)	P 3,223,719,308	P 8,399,872,293	P 11,623,591,601	P 20,345,576,387	P 9,960,543,018	P 30,306,119,405
Balance at January 1, 2023	P 3,623,451,997	P 1,608,917,974	(P 732,664,604)	P 2,195,991	(P 13,910,501)	P 3,931,475,893	P 3,643,829,647	P 7,575,305,540	P 12,063,296,397	P 7,413,022,685	P 19,476,319,082
Transactions with owners											
Investments from non-controlling stockholders	-	-	-	-	-	-	-	-	-	879,500,000	879,500,000
Cash dividends	-	-	-	-	-	-	(623,736,265)	(623,736,265)	(623,736,265)	(112,380,000)	(736,116,265)
Stock option granted	-	-	-	2,115,986	-	-	-	-	2,115,986	-	2,115,986
	-	-	-	2,115,986	-	-	(623,736,265)	(623,736,265)	(621,620,279)	767,120,000	145,499,721
Appropriation of retained earnings											
Appropriations during the year	-	-	-	-	-	6,324,658,043	(6,324,658,043)	-	-	-	-
Reversal of appropriations during the year	-	-	-	-	-	(3,341,330,930)	3,341,330,930	-	-	-	-
	-	-	-	-	-	2,983,327,113	(2,983,327,113)	-	-	-	-
Total comprehensive income for the year											
Net profit for the year	-	-	-	-	-	-	2,794,959,153	2,794,959,153	2,794,959,153	1,040,710,844	3,835,669,997
Other comprehensive loss	-	-	-	-	(4,377,723)	-	-	-	(4,377,723)	-	(4,377,723)
	-	-	-	-	(4,377,723)	-	2,794,959,153	2,794,959,153	2,790,581,430	1,040,710,844	3,831,292,274
Balance at December 31, 2023	P 3,623,451,997	P 1,608,917,974	(P 732,664,604)	P 4,311,977	(P 18,288,224)	P 6,914,803,006	P 2,831,725,422	P 9,746,528,428	P 14,232,257,548	P 9,220,853,529	P 23,453,111,077

See Notes to Consolidated Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2025	2024 (As Restated – see Note 2)	2023 (As Restated – see Note 2)
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		P 5,513,936,970	P 5,227,779,304	P 5,682,849,150
Adjustments for:				
Interest expense on:	22			
Loans		2,076,627,052	1,971,427,485	2,205,875,946
Bonds		152,789,262	131,374,423	66,856,868
Lease liabilities		83,491,236	81,997,700	80,167,300
Gain on sale of investment properties	13, 21	(1,805,634,829)	(399,444,469)	-
Depreciation and amortization	20	293,585,990	175,519,160	186,911,151
Interest income	23	(64,278,172)	(20,582,423)	(13,874,699)
Impairment loss on financial assets	6	1,980,540	566,025	432,793
Share option benefits expense	24, 27	1,377,615	1,369,663	2,115,986
Share in net loss (profit) of associates and a joint venture	10	(208,363)	2,879,180	12,570,144
Loss (gain) on sale of property and equipment	11, 21	2,837	(1,368,905)	17,410
Operating profit before working capital changes		6,253,670,137	7,171,517,143	8,223,922,049
Decrease (increase) in receivables		(581,009,043)	(1,523,418,506)	1,428,609,888
Increase in contract assets		(6,155,399,713)	(4,333,141,250)	(13,114,922,876)
Decrease (increase) in real estate inventories		(5,730,122,985)	3,996,332,518	866,856,548
Increase in deposits on land for future development		(782,304,850)	-	(349,502,459)
Increase in prepayments and other current assets		(1,896,190,779)	(701,073,022)	(2,197,914,536)
Decrease (increase) in other non-current assets		381,597,275	(373,866,151)	(418,939,623)
Increase in trade and other payables		5,396,825,633	919,326,115	2,413,037,531
Increase (decrease) in contract liabilities		48,769,274	(153,073,093)	(149,023,660)
Increase (decrease) in customers' deposits		40,442,025	(53,780,562)	23,753,669
Increase (decrease) in post-employment defined benefit obligation		6,990,015	13,511,897	(4,831,145)
Cash generated from (used in) operations		(3,016,733,011)	4,962,335,089	(3,278,954,614)
Cash paid for taxes		(961,696,606)	(712,617,461)	(270,264,085)
Net Cash From (Used in) Operating Activities		(3,978,429,617)	4,249,717,628	(3,549,218,699)
CASH FLOWS FROM INVESTING ACTIVITIES				
Proceeds from sale of investment properties	13	1,799,127,261	40,378,657	-
Acquisitions of property and equipment	11	(1,509,452,535)	(1,542,393,145)	(1,151,268,953)
Acquisitions of investment properties	13, 14	(1,468,992,600)	(3,151,884,470)	(166,408,556)
Additional investments in associates and a joint venture	10	(170,833,216)	(883,107,116)	(21,500,000)
Interest received		64,278,172	20,582,423	13,874,699
Cash received from consolidation through step acquisition	10	27,877,700	-	-
Advances to related parties	26	(24,968,770)	(4,828,581)	(12,794,426)
Proceeds from sale of property and equipment	11	2,482,758	2,740,603	563,795
Acquisitions of computer software	14	-	(3,446,947)	(1,914,986)
Net Cash Used in Investing Activities		(1,280,481,230)	(5,521,958,576)	(1,339,448,427)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from availment of interest-bearing loans - net	15, 34	30,691,478,803	17,475,143,091	12,943,572,214
Repayments of interest-bearing loans	15, 34	(28,681,903,014)	(15,162,165,054)	(5,791,848,745)
Proceeds from issuances of bonds - net	16, 34	8,876,780,500	-	-
Interest paid on interest-bearing loans		(3,620,469,818)	(3,211,966,319)	(2,543,426,951)
Cash dividends paid	27	(1,817,142,965)	(1,074,189,609)	(727,716,265)
Proceeds from issuance of redeemable preferred shares - net	9, 17	1,143,880,987	-	-
Additional investment from non-controlling shareholders	27	800,812,680	32,500,000	879,500,000
Interest paid on bonds		(618,596,933)	(315,465,826)	(337,485,050)
Payment of lease liabilities	12, 34	(58,552,832)	(53,505,133)	(54,646,634)
Proceeds from issuance of shares of stock - net	27	-	4,251,287,587	-
Net Cash From Financing Activities		6,716,287,408	1,941,638,737	4,367,948,569
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		1,457,376,561	669,397,789	(520,718,556)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		1,583,238,995	913,841,206	1,434,559,762
CASH AND CASH EQUIVALENTS AT END OF YEAR		P 3,040,615,556	P 1,583,238,995	P 913,841,206

Supplementary Information on Non-cash Investing and Financing Activities is disclosed in Note 35 to the Consolidated Financial Statements.

See Notes to Consolidated Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

1. GENERAL INFORMATION

1.1 Corporate Information

Cebu Landmasters, Inc. (the Parent Company or CLI) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on September 26, 2003. CLI is presently engaged in real estate-related activities which include real estate development, sales, leasing and property management. The Parent Company's real estate portfolio includes residential condominium and subdivisions, mixed-use developments, townships, hotels and resorts, offices, and co-living accommodations.

The Parent Company is a subsidiary of A B Soberano Holdings Corp. (the Ultimate Parent Company or ABS). ABS is a holding company and is incorporated and domiciled in the Philippines. The registered office address and principal place of business of ABS is located at 2nd Street, Villa San Lorenzo, Quijada Street, Barangay Guadalupe, Cebu City.

On January 6, 2017, the Board of Directors (BOD) approved the Parent Company's application for the registration of its common stocks with the SEC and application for the listing thereof in the Philippine Stock Exchange (PSE). The Parent Company's shares were listed on the main board of the PSE on June 2, 2017 (see Note 27).

The registered office address of CLI, which is also its principal place of business, is located at 10th Floor, Park Centrale Tower, Jose Ma. Del Mar St., B2 L3, Cebu I.T. Park, Brgy. Apas, Cebu City, Philippines.

1.2 Subsidiaries, Associates and Joint Venture

CLI holds ownership interests in the following subsidiaries, associates and joint venture:

Entities	Note	Effective Percentage of Ownership	
		2025	2024
<i>Subsidiaries</i>			
CLI Premier Hotels Int’l. Inc. (CPH)	(a)	100%	100%
Cebu Landmasters Property Management, Inc. (CPM)	(b)	100%	100%
A.S. Fortuna Property Ventures, Inc. (ASF)	(c)	100%	100%
CLI Hotels and Resorts Inc. (CHR)	(d)	100%	100%
CLI Luzon Ventures, Inc. (CLVI)	(e)	100%	-
CLI Water, Inc. (CWI)	(f)	100%	-
CLI-LITE Panglao Inc. (CLI-LITE)	(g)	88%	88%
Ming-mori Development Corporation (MDC)	(h)	78%	78%
Sugbo Prime Estate, Inc. (SPE)	(i)	64%	64%
CLI MAC Developers, Inc. (CLI MAC)	(j)	60%	-
<i>(Forward)</i>			

Entities	Note	Effective Percentage of Ownership	
		2025	2024
<i>Subsidiaries</i>			
CLI NUD Ventures, Inc. (CLI NUD)	(k)	60%	-
BL CBP Ventures, Inc. (BL Ventures)	(l)	50%	50%
Yuson Excellence Soberano, Inc. (YES)	(m)	50%	50%
Yuson Huang Excellence Soberano, Inc. (YHES)	(n)	50%	50%
YHEST Realty and Development Corporation (YHEST)	(o)	50%	50%
CCLI Premier Hotels, Inc. (CCLI)	(p)	50%	50%
Cebu Homegrown Developers, Inc. (CHDI)	(q)	50%	50%
YHES Premier Hotels Inc. (YHESPH)	(r)	50%	50%
Cebu BL-Ramos Ventures Inc. (CBLRV)	(s)	50%	50%
GGTT Realty Corporation (GGTT)	(t)	50%	50%
Mivesa Garden Residences, Inc. (MGR)	(u)	45%	45%
El Camino Developers Cebu, Inc. (El Camino)	(v)	35%	35%
<i>Associates</i>			
Iloilo Global City Corporation (IGCC)	(w)	43%	43%
ICOM Air Corporation (ICOM)	(x)	33%	33%
Magspeak Nature Park, Inc. (Magspeak)	(y)	25%	25%
<i>Joint venture</i>			
CLI NUD	(k)	-	30%

CLI and its subsidiaries (collectively referred as “the Group”), associates and joint venture are all incorporated in the Philippines. The subsidiaries, associates and joint venture, except CPH, CPM, CHR, CWI, SPE, CCLI, YHESPH and ICOM, are in the same line of business as CLI. A brief description of these entities follows:

- (a) CPH was incorporated in 2016 as a wholly owned subsidiary of CLI. CPH is engaged in the real estate and hotel management business. The principal place of business of CPH is located in Cebu City.
- (b) CPM was incorporated in 2017 as a wholly owned subsidiary of CLI. CPM is engaged in the management of condominium corporations and housing associations affiliated with CLI. The principal place of business of CPM is located in Cebu City.
- (c) ASF was incorporated in 2017 as a joint venture where CLI initially held 40% ownership interest. CLI acquired all the ownership interest of its business partners at the end of 2017 which made ASF its wholly owned subsidiary. The principal place of business of ASF is located in Cebu City.
- (d) CHR was incorporated in 2022 as a wholly owned subsidiary of CLI. It is engaged in managing the Group’s hotel projects. Its principal place of business is located in Cebu City.
- (e) CLVI was incorporated in 2025 as a wholly owned subsidiary of CLI, with the purpose of developing residential and mixed-use projects in Luzon. Its principal place of business is located in Cebu City. As at December 31, 2025, CLVI has yet to start commercial operations.

- (f) CWI was incorporated in 2025 as a wholly owned subsidiary of CLI to supply water to CLI's various projects. The principal place of business of CWI is located in Cebu City. As at December 31, 2025, CWI has yet to start commercial operations.
- (g) CLI-LITE was incorporated in 2021 as an undertaking by CLI and two other corporations for the development of a mixed-use project in Panglao Island, Bohol, which includes residential condominiums and a potential hotel component. The principal place of business of CLI-LITE is located in Cebu City.
- (h) MDC was incorporated in 2013 as an undertaking between CLI and four other entities for the development of an economic business district. The principal place of business of MDC is located in Cebu City. As at December 31, 2025, MDC has yet to start commercial operations.
- (i) SPE was incorporated in 2019 as a one person corporation and was converted to an ordinary stock corporation after entering into a joint venture with CLI in 2021, for the development of a dormitory with retail and warehouse spaces. The principal place of business of SPE is located in Cebu City.
- (j) CLI MAC was incorporated in 2025 as an undertaking between CLI and Martinez Agricultural Corporation for the development of mixed-used condominium project in Cebu City. CLI exercised control over CLI MAC through its authority to direct operational activities and govern strategic and financial policies. The principal place of business is located in Cebu City. As at December 31, 2025, CLI MAC has yet to commence commercial operations.
- (k) CLI NUD was incorporated in 2024 as a joint venture between CLI and NTT UD Asia Pte. Ltd. (NTTUDA) for the development of mixed-use condominium project in Cebu City. In 2025, CLI exercised control over CLI NUD through its authority to direct operational activities and govern strategic and financial policies [see Notes 3.1(l) and 10.3]. CLI NUD started its commercial operations in August 2025. The principal place of business of CLI NUD is located in Cebu City.
- (l) BL Ventures was incorporated by CLI and Borromeo Bros. Estate, Inc. (BBEI) to construct and operate Latitude Corporate Center. The principal place of business of BL Ventures is located in Cebu City.
- (m) YES was incorporated by CLI and Yuson Comm. Investments, Inc. to construct and operate Messatiera Garden Residences in Davao. The principal place of business of YES is located in Davao City.
- (n) YHES was incorporated in 2017 as an undertaking among CLI, Yuson Strategic Holdings, Inc., and Davao Filandia Realty Corp. for the development of mixed-used real estate project, the Paragon Davao. The principal place of business of YHES is located in Davao City.
- (o) YHEST was incorporated in 2018 as an undertaking among CLI and five corporations for the development of a central business district located at Matina, Davao. The principal place of business of YHEST is located in Davao City.

- (p) CCLI was incorporated in 2018 as an undertaking between CLI and Capitaine, Inc. for the development of Citadines hotel in Bacolod City. CCLI started its commercial operations in 2024. The principal place of business of CCLI is located in Bacolod City.
- (q) CHDI is an undertaking between CLI and Aboitiz Land, Inc. and was incorporated in 2019. CHDI is engaged in the development of a high-rise mixed-use condominium complex in Mandaue City, Cebu. The principal place of business of CHDI is located in Cebu City.
- (r) YHESPH was incorporated in 2019 as a wholly owned subsidiary of YHES that will engage in hotel business. Its ultimate parent is CLI which owns 50% of YHES. As at December 31, 2025, YHESPH has yet to start commercial operations.
- (s) CBLRV was incorporated in 2020 as an undertaking between CLI and BBEI and is engaged in the development of a mixed-use condominium tower in Cebu City. The principal place of business is located in Cebu City.
- (t) GGTT was incorporated in 2003 and is engaged to construct a residential condominium project. The principal place of business of GGTT is located in Iloilo City.
- (u) MGR was incorporated in 2017 as an undertaking by CLI and three corporations for the construction of buildings 6 and 7 of the Mivesa Garden Residences condominium. MGR is considered a subsidiary of CLI because CLI is exposed, or has rights, to variable returns from its involvement with MGR and has the ability to affect those returns due to its full control on MGR's management. The principal place of business of MGR is located in Cebu City.
- (v) El Camino was incorporated in 2016 as an undertaking between CLI and four other corporations for the development of 38 Park Avenue condominium project in Cebu City. CLI controls El Camino's operations through a shareholder agreement and is considered its parent. The principal place of business of El Camino is located in Cebu City.
- (w) IGCC was incorporated in 2023 as an undertaking between CLI and two other corporations and is engaged in the development of a mixed-use condominium tower in Iloilo City. Its principal place of business is located in Iloilo City. As at December 31, 2025, IGCC has yet to commence commercial operations.
- (x) ICOM was incorporated on December 7, 2020 as an undertaking of CLI and various individual stockholders and corporations to import aircraft(s) and to operate a transportation business in the Philippines. ICOM's principal place of business is in Iloilo City.
- (y) Magspeak was incorporated in 2011 as an undertaking among CLI and four other corporations for the development of a mountain resort to be located in Balamban, Cebu. The principal place of business of Magspeak is located in Cebu City.

1.3 Approval of Issuance of Consolidated Financial Statements

The consolidated financial statements of the Group as at and for the year ended December 31, 2025 (including the comparative consolidated financial statements as at December 31, 2024 and for the years ended December 31, 2024 and 2023, and the corresponding figures as at January 1, 2024), were authorized for issue by the BOD on April 7, 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in preparing these consolidated financial statements are summarized below and in the succeeding pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group were prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by the relevant accounting frameworks for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Consolidated Financial Statements

The consolidated financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Group presents a consolidated statement of comprehensive income separately from the consolidated statement of profit or loss.

The Group presents a third consolidated statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the consolidated statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

(i) Reclassification of Properties Used in Hotel Operations

In 2025, the Group reclassified certain properties relating to prior periods to align their presentation with the Group's policy on classifying properties based on their intended use once sufficient information is available and the associated costs have been incurred to determine the asset's actual use. This policy requires classification to reflect the actual use of the asset rather than the original intent at initial acquisition.

The affected properties form part of mixed-use developments and were previously presented as investment properties when they were initially intended to be held for lease. Based on updated information on their actual utilization in hotel operations, the Group reclassified these properties as property and equipment to more faithfully reflect their current use. The revised classification is consistent with the classification principles under PAS 40, *Investment Property*, and PAS 16, *Property, Plant and Equipment*.

In accordance with PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, the reclassification was accounted for retrospectively as it relates to the refinement of a prior period classification of assets in prior periods rather than a change in accounting policy or estimate. The retrospective application had a material effect on the presentation of the Group's consolidated statement of financial position as at January 1, 2024. Accordingly, comparative information was restated, and a third consolidated statement of financial position has been presented, as required under PAS 1.

(ii) Reclassification of Properties sold

In 2024, the Group reclassified certain properties amounting to P478,601,022 from investment property to real estate inventories. Based on management's reassessment, the prior classification of these properties as investment property was no longer appropriate. Although the properties were initially reclassified to inventories, they were sold without the Group undertaking substantive actions that would demonstrate an intention to develop the properties for sale.

Accordingly, the reclassification represents a correction of the prior classification rather than a change in accounting policy or estimate. In line with PAS 8, the reclassification was accounted for retrospectively. As the properties were sold within the same reporting period in 2024, the retrospective adjustment affected the presentation of the related transaction in the 2024 consolidated statement of profit or loss, which was restated to reflect the appropriate classification and presentation of the sale.

The retrospective application of this reclassification did not have an impact on the Group's consolidated statement of financial position as at January 1, 2024.

(iii) Reclassification of Accrual Adjustments Related to Investment Properties

In 2025, the Group identified a prior-period presentation adjustment in the consolidated statement of cash flows relating to the movements in investment properties.

In prior years, certain accrual-related adjustments associated with investment properties were presented as reclassification to real estate inventories. Upon further review, management determined that these adjustments represent accrual adjustments arising from investment properties during the year and should have been reflected as adjustments to additions of investment properties, rather than as reclassifications to real estate inventories, in the consolidated statements of cash flows.

In accordance with PAS 8, the comparative consolidated statements of cash flows were retrospectively restated to reflect the revised presentation of the affected investing activities. The restatement resulted in the reclassification of amounts under movements in real estate inventories and trade and other payables in the consolidated statements of cash flows amounting to P805,733,485 and P851,934,567 in 2024 and 2023, respectively. The restatement affected only the classification of cash flow line items and did not impact the Group's total cash flows in prior years.

The retrospective application of this reclassification did not have an impact on the Group's consolidated statement of financial position as at January 1, 2024.

These reclassifications relate to presentation and classification and do not change the Group's consolidated total assets, total liabilities, or total equity. They also do not affect the total cash flows. The adjustments were made to align the classification and presentation of affected balances with the applicable accounting standards based on updated information on intended use and on the nature of the transaction.

Presented below is the analysis of the effects of the prior period reclassifications in the consolidated statement of financial position as at December 31, 2024 and January 1, 2024.

<i>(Amounts in PHP)</i>	Note	As Previously Reported	Reclassifications	As Restated
<u>December 31, 2024</u>				
<i>Change in assets:</i>				
Property and equipment - net	2.1(b)(i)	9,165,352,398	1,036,709,798	10,202,062,196
Investment properties - net	2.1(b)(i)	19,444,997,083	<u>(1,036,709,798)</u>	18,408,287,285
			<u>-</u>	
<u>January 1, 2024</u>				
<i>Change in assets:</i>				
Property and equipment - net	2.1(b)(i)	7,241,895,672	961,072,916	8,202,968,588
Investment properties - net	2.1(b)(i)	18,334,014,653	<u>(961,072,916)</u>	17,372,941,737
			<u>-</u>	

Presented below is the analysis of the effects of the prior period reclassifications in the 2024 consolidated statement of profit or loss.

<i>(Amounts in PHP)</i>	Note	As Previously Reported	Reclassifications	As Restated
Sale of real estates	2.1(b)(ii)	17,293,737,754	(877,984,392)	16,415,753,362
Interest income from real estate sales	2.1(b)(ii)	1,764,792,165	(61,099)	1,764,731,066
Cost of sales and services	2.1(b)(ii)	(9,356,228,381)	478,601,022	(8,877,627,359)
Other operating income	2.1(b)(ii)	452,169,850	<u>399,444,469</u>	851,614,319
			<u>-</u>	

Presented below is the analysis of the effects of the prior period reclassifications in the 2024 and 2023 consolidated statements of cash flows.

<i>(Amounts in PHP)</i>	Note	As Previously Reported	Reclassifications	As Restated
<u>2024</u>				
<i>Changes in cash flows from operating activities:</i>				
Gain on sale of investment properties	2.1(b)(ii)	-	(399,444,469)	(399,444,469)
Increase in receivables	2.1(b)(ii)	(2,361,085,340)	837,666,834	(1,523,418,506)
Decrease in real estate inventories	2.1(b)(ii), 2.1(b)(iii)	5,280,667,025	(1,284,334,507)	3,996,332,518
Increase in trade and other payables	2.1(b)(iii)	113,592,630	805,733,485	919,326,115
			<u>(40,378,657)</u>	
<i>Changes in cash flows from investing activities:</i>				
Proceeds from sale of investment properties	2.1(b)(ii)	-	40,378,657	40,378,657
Acquisitions of property and equipment	2.1(b)(ii)	(1,466,756,262)	(75,636,883)	(1,542,393,145)
Acquisitions of investment properties	2.1(b)(ii)	(3,227,521,353)	75,636,883	(3,151,884,470)
			<u>40,378,657</u>	
Impact on cash and cash equivalents			<u>-</u>	
<u>2023</u>				
<i>Changes in cash flows from operating activities:</i>				
Decrease in real estate inventories	2.1(b)(iii)	1,718,791,115	(851,934,567)	866,856,548
Increase in trade and other payables	2.1(b)(iii)	1,561,102,964	851,934,567	2,413,037,531
			<u>-</u>	
<i>Changes in cash flows from investing activities:</i>				
Acquisitions of property and equipment	2.1(b)(ii)	(996,053,776)	(155,215,177)	(1,151,268,953)
Acquisitions of investment properties	2.1(b)(ii)	(321,623,733)	155,215,177	(166,408,556)
			<u>-</u>	
Impact on cash and cash equivalents			<u>-</u>	

As a result of these reclassifications, the supplemental information on non-cash investing activities has been updated to reflect the non-cash nature of these transactions [see Note 35(c), (d) and (g)].

(c) *Functional and Presentation Currency*

These consolidated financial statements are presented in Philippine pesos, the Group's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the consolidated financial statements of the Group are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Group operates.

2.2 Adoption of New and Amended PFRS Accounting Standards

(a) *Effective in 2025 that is Relevant to the Group*

The Group adopted for the first time amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*, which are mandatorily effective for annual periods beginning on or after January 1, 2025. The amendments require entities to assess whether a currency is exchangeable and to determine a spot exchange rate when exchangeability is lacking. These amendments also mandate the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendments had no significant impact on the consolidated financial statements of the Group.

(b) *Effective Subsequent to 2025 but not Adopted Early*

There are new standards and amendments to existing standards effective for annual periods subsequent to 2025, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Group's consolidated financial statements:

- (i) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)
- (ii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The new standard, however, does not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.
- (iii) PFRS 19, *Subsidiaries without Public Accountability: Disclosures* (effective from January 1, 2027). The new standard reduces the disclosure requirements prescribed by other standards for subsidiaries without public accountability. It changes disclosure requirements prescribed by other standards as the reporting entity will instead refer to PFRS 19 for required disclosures.

- (iv) PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Parent Company, and its subsidiaries, after the elimination of material intercompany transactions.

The financial statements of subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting principles.

The Parent Company accounts for its investments in subsidiaries, associates, joint arrangements and non-controlling interests as follows:

(a) Investments in Subsidiaries

Subsidiaries are consolidated from the date the Parent Company obtains control. The Parent Company reassesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control. Accordingly, entities are deconsolidated from the date that control ceases.

The acquisition method is applied to account for acquired subsidiaries. This requires recognizing and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in the acquiree. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group, if any. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement.

Profit or loss and other comprehensive income of subsidiaries acquired or disposed of during the year are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable. The Group attributes total comprehensive income or loss of subsidiaries between the owners of the parent and the non-controlling interests based on their respective ownership interests.

On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree at the non-controlling interest's proportionate share of the recognized amounts of acquiree's identifiable net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any existing equity interest in the acquiree over the acquisition-date fair value of identifiable net assets acquired is recognized as goodwill.

(b) Investments in Associates

Investments in associates are initially recognized at cost and subsequently accounted for using the equity method.

Acquired investment in associate is subject to the purchase method. The purchase method involves the recognition of the acquiree's identifiable assets and liabilities, including contingent liabilities, regardless of whether they were recorded in the financial statements prior to acquisition.

(c) *Investments in Joint Arrangements*

Investments in joint arrangements are classified as either joint operations or joint ventures, depending on the rights and obligations arising from the contractual arrangement. Classification is reassessed when facts and circumstances indicate that there are changes to one or more of the elements that determine the nature of the joint arrangement.

A joint operation is a joint arrangement whereby the parties have rights to the assets and obligations for the liabilities relating to the arrangement. For interests in joint operations, the Group recognizes in its consolidated financial statements its share of the assets that it controls, its share of the liabilities that it incurs, and its share of the income and expenses arising from the joint operation. No consolidation adjustments are required as the Group directly records its proportionate interest in the joint operation's assets, liabilities, income and expenses.

A joint venture is a joint arrangement whereby the parties have rights to the net assets of the arrangement. Investments in joint ventures are initially recognized at cost and subsequently accounted for using the equity method.

(d) *Transactions with Non-controlling Interests*

The Group's transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transaction with the owners of the Group in their capacity as owners. The difference between the fair value of any consideration paid and the relevant share acquired of the carrying value of the net assets of the subsidiary is recognized in equity. Disposals of equity investments to non-controlling interests result in gains and losses for the Group that are also recognized in equity.

When the Group ceases to have control over a subsidiary, any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognized in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset.

In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

2.4 Financial Instruments

(a) *Financial Assets*

Regular purchases and sales of financial assets are recognized on their trade date (i.e., the date that the Group commits to purchase or sell the asset).

(i) *Classification, Measurement and Reclassification of Financial Assets*

The Group's financial assets are all categorized as financial assets at amortized cost.

(ii) Impairment of Financial Assets

The expected credit losses (ECL) on receivables and contract assets are estimated by a probability weighted estimate of credit losses over the expected life of the financial assets. These assets are assessed for impairment on a collective basis based on shared credit risk characteristics.

For other financial assets, if the credit risk has not increased significantly since initial recognition, the Group measures and provides for credit losses that are expected to result from default events that are possible within 12 months after the end of the reporting period, except when there has been a significant increase in credit risk on the financial asset since initial recognition.

(b) Financial Liabilities

Financial liabilities include interest-bearing loans and borrowings, bonds payable, lease liabilities and trade and other payables [except government-related obligations, advance rental and output value-added tax (VAT)].

2.5 Non-current Assets Classified as Held for Sale

Non-current assets held for sale are measured at lower of their carrying amounts, immediately prior to their classification as held for sale, and their fair value less costs to sell.

If the criteria for classification as held for sale are no longer met, the Group shall cease to classify the asset as held for sale. In such cases, the asset is remeasured at the lower of (a) the carrying amount that would have been recognized had the asset not been classified as held for sale, adjusted for depreciation or amortization, and (b) its recoverable amount at the date of the subsequent decision not to sell.

2.6 Business Combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair values of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

If the Group acquires a controlling interest in a business in which it previously held an equity interest (otherwise known as step acquisition), that equity interest is remeasured to fair value at the acquisition date with any resulting gain or loss recognized in profit or loss or other comprehensive income, as appropriate. Control may be obtained through ownership of voting rights or through contractual arrangements that provide the Group with the ability to direct the relevant activities of the acquiree.

The Group measures non-controlling interest of their proportionate share of the acquiree's identifiable net asset at the acquisition date.

Consideration transferred as part of a business combination does not include amounts related to the settlement of pre-existing relationships. The gain or loss on the settlement of any pre-existing relationship is recognized in profit or loss.

Assets acquired and liabilities assumed are measured at their acquisition-date fair values.

Goodwill represents the future economic benefits arising from a business combination that are not individually identified and separately recognized. Goodwill is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The cash-generating units or groups of cash-generating units are identified according to operating segment.

2.7 Real Estate Inventories

Costs of real estate inventories are assigned using specific identification of their individual costs.

The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known. Any impairment loss from a real estate project is charged to operations during the period in which the loss is determined.

Reposessed property arising from sales cancellation is recognized at cost.

2.8 Property and Equipment

Property and equipment, including land, are carried at acquisition or construction cost less subsequent depreciation, amortization and any impairment losses, except for land which is not subject to depreciation.

Depreciation and amortization are computed on the straight-line basis over the estimated useful lives of the assets. The depreciation and amortization periods for property and equipment, based on the above policies, are as follows:

Buildings and parking units	20 years
Transportation equipment	5 years
Operating equipment	3-5 years
Furniture and fixtures	2-5 years

Leasehold improvements are amortized over their expected useful lives of five years (determined by reference to comparable assets owned) or the term of lease, whichever is shorter.

Construction in progress represents costs incurred, including applicable borrowing costs, for hotel and resort projects that are still under development. These assets are not depreciated until they are completed and available for use.

2.9 Investment Properties

Properties held for lease under operating lease agreements or capital appreciation, which comprise mainly of land, buildings and condominium units, are classified as Investment Properties and carried at cost, net of accumulated depreciation and any impairment in value, except for land which is not subject to depreciation. Depreciation and amortization of investment properties are computed using the straight-line method over the estimated useful lives of the assets ranging from 20 to 50 years.

2.10 Other Non-financial Assets

Advances to subcontractors and suppliers, and deposits on land for future development are payments made for goods or services to be received in the future and are accounted for as non-financial assets in the nature of prepayments.

These amounts are classified in the consolidated statement of financial position based on the nature of the underlying asset: those related to real estate inventories are presented as current assets as they are expected to be realized within the Group's normal operating cycle, while amounts intended for the development of property and equipment, investment properties, or other non-current assets are presented as non-current assets consistent with the classification of the respective underlying asset.

2.11 Revenue and Expense Recognition

Revenue comprises revenue from sale of real properties, hotel operations, rentals and management services.

The Group develops real properties such as developed land, house and lot, and condominium units. The Group often enters into contracts to sell real properties as they are being developed. The significant judgment used in determining the timing of satisfaction of the Group's performance obligation with respect to its contracts to sell real properties is disclosed in Note 3.1(b).

- (a) *Real estate sales on pre-completed real estate properties* – Revenue from real estate sales is recognized over time proportionate to the progress of the development. The Group measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development. Revenue recognized is presented as part of Sale of Real Estates in the consolidated statement of profit or loss.
- (b) *Real estate sales on completed real estate properties* – Revenue from real estate sales is recognized at point in time when the control over the real estate property is transferred to the buyer. Revenue recognized from real estate sales is presented as part of Sale of Real Estates in the consolidated statement of profit or loss.
- (c) *Rendering of management services* – Revenue from the rendering of management services is recognized over time as the services are provided to the client entities. The client entities are invoiced monthly as work progresses, which are also due upon receipt by them. Any amounts remaining unbilled at the end of a reporting period are presented in the consolidated statement of financial position as receivables as only the passage of time is required before payment of these amounts will be due.
- (d) *Hotel operations* – Revenues are recognized over time during the occupancy of hotel guest and ends when the scheduled hotel room accommodation has lapsed (i.e., the related room services have been rendered). As applicable, invoices for hotel accommodations are due upon receipt by the customer.

For tax reporting purposes, a modified basis of computing the taxable income for the year based on collections from real estate sales is used by the Group.

Incremental costs of obtaining a contract to sell real property to customers are recognized as Deferred commissions and are subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized. The Group presents Deferred commissions as part of Prepayment and Other Current Assets when it is expected to be expensed within 12 months after the balance sheet date. Any remaining balance is presented as part of Other Non-current Assets.

Other costs and expenses are recognized in profit or loss upon utilization of services or receipt of goods or at the date they are incurred. Finance costs are reported on an accrual basis except capitalized borrowing costs.

Under its contracts with customers, the Group recognizes Contract receivables, which is presented under Receivables account, when it has an unconditional right to payment for the total consideration upon the completion of the development of the property sold. Any rights to consideration recognized by the Group as it develops the property are presented as Contract Assets in the consolidated statement of financial position.

Contract assets are subsequently tested for impairment in the same manner as the Group assesses impairment of its financial assets [see Note 2.4(a)(ii)].

In determining the transaction price, the Group adjusts the contract price for the effects of time value of money when the timing of payments agreed to with the customer provides either party with a significant benefit of financing the transfer of goods or services to the customer. In buyer financing arrangements where buyer payments are ahead of the development of the sold property, the Group recognizes interest expense which is presented as part of Interest Income from Real Estate Sales in the consolidated statement of profit or loss. Conversely, in seller financing arrangements where the development of the sold property is ahead of buyer payment terms, the Group recognizes interest income which is presented as part of Interest Income from Real Estate Sales in the consolidated statement of profit or loss. The significant judgment used in determining the existence of a significant financing component in the contract is disclosed in Note 3.1(d).

Any consideration received by the Group in excess of the amount for which the Group is entitled is presented as Contract Liabilities in the consolidated statement of financial position.

Sales cancellations are accounted for as contract modification. The previously recognized cumulative revenues and the related cumulative costs are reversed in profit or loss in the period in which the cancellation occurs. In addition, any difference between the carrying amount of the contract balances derecognized and the cost of the repossessed property is likewise recognized in profit or loss.

2.12 Leases

(a) The Group as Lessee

Subsequent to initial recognition, the Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group accounts for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

(b) The Group as Lessor

The Group applies judgment in determining whether a lease contract is a finance or operating lease.

2.13 Employee Benefits

The Group provides post-employment benefits to employees through a defined benefit plan and defined contribution plans, and other employee benefits.

The Group's defined benefit post-employment plan covers all regular full-time employees. The pension plan is tax-qualified, non-contributory, and administered by a trustee.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's 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 related notes. Judgments and estimates are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

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

(a) Determining Existence of a Contract with Customer

In a sale of real estate properties, the Group's primary document for a contract with a customer is a signed contract to sell which is executed when the real estate property sold is completed and ready for use by customer. In cases wherein contract to sell are not executed by both parties, management determined that the combination of other signed documentations with customers, such as reservation agreement, official receipts, computation sheets and invoices, contains all the elements of a contract with the customer (i.e., approval of the contract by the parties, which has commercial substance, identification of each party's rights regarding the goods or services and the related payment terms). As part of this evaluation, the Group also assesses whether collection of the consideration is probable. [see Note 3.1(c)].

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

(b) Evaluation of Timing of Satisfaction of Performance Obligations

The Group exercises critical judgment in determining whether each performance obligation to develop properties promised in its contracts with customers is satisfied over time or at a point in time. In making this judgment, the Group considers the following:

- the asset created or enhanced as the Group performs;
- the ability of the customer to control such asset as it is being created or enhanced;
- the timing of receipt and consumption of benefits by the customer; and,
- the Group's enforceable right for payment for performance completed to date.

The Group determined that its performance obligation is satisfied over time since it does not have an alternative use of the specific property sold as it is precluded by its contract from redirecting the use of the property for a different purpose. Further, the Group has rights over payment for development completed to date as the Group can choose to complete the development and enforce its rights to full payment under its contracts even if the customer defaults on amortization payments.

On the other hand, performance obligation for completed real estate properties is satisfied at a point in time when the control over the real estate property is transferred to the buyer.

(c) Determination of Collection Threshold for Revenue Recognition

The Group uses judgment in evaluating the probability of collection of transaction price on real estate sales as a criterion for revenue recognition. The Group uses historical payment pattern of customers and number of sales cancellation in establishing a percentage of collection threshold over which the Group determines that collection of the transaction price is reasonably assured. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group.

The Group considers that the initial and continuing investments by the buyer when reaching the set collection threshold would demonstrate the buyer's commitment to pay the total contract price. Management considers that when collections received from buyers exceed a defined threshold, the risk of contract cancellation becomes remote. Accordingly, the Group will not recognize the whole contract and no revenue will be recognized when the collection threshold is not yet reached.

(d) Determination of the Existence of Significant Financing Component in the Contract

The Group enters into real estate sales contracts offering various payment schemes to its customers. The timing of transaction price collection can significantly differ from the timing of the Group's fulfillment of its performance obligations. The Group exercises judgment in determining whether the contract terms provide a significant financing benefit to either the Group or its customers. This assessment is conducted at the inception of the contract, considering the contractual payment terms and the projected completion timeline of the related real estate development.

(e) *Determination of ECL on Receivables and Contract Assets*

The Group uses the cumulative loss rate approach to calculate ECL for receivables and contract assets. This approach considers and includes reasonable approximation of probable and estimable future losses determined by applying historical gross charge-off information (arising from cancellations and back-out sales) to forward-looking qualitative information (i.e., forecast of economic condition). Management considers title retention and repossession rights as key mitigants in assessing expected credit losses.

On the other hand, additional ECL may be calculated for certain pool of trade receivables specifically determined to have expected cash shortfall based on outstanding exposures. These generally arise from receivables which were charged off at an earlier term of the instrument since origination period.

Details about the ECL on the Group's receivables and contract assets are disclosed in Note 31.2.

(f) *Distinction Between Investment Properties and Owner-occupied Properties*

The Group determines whether a property qualifies as investment property. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to other assets used in the operations.

(g) *Distinction Between Inventories and Investment Properties*

Real estate inventories comprise properties that are held for sale in the ordinary course of business. Meanwhile, investment properties comprise of land and buildings which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. The Group considers management's intention over these assets in making its judgment.

(h) *Evaluation of Change in Use for Transfers to or from Investment Properties*

The Group evaluates transfers of properties to or from its investment properties by carefully assessing changes in their use (see Note 13). Such transfers are primarily driven by shifts in business plans, supported by tangible actions like obtaining necessary permits or preparing properties for sale. A change in management's intent alone is insufficient evidence to justify a transfer. Instead, the Group relies on objective and substantive indicators, considering all relevant facts and circumstances, to determine whether the properties meet the definition of the financial statement accounts. This judgment ensures that the classification aligns with the substance of the transactions and the Group's ordinary business activities.

(i) *Distinction Between Operating and Finance Leases for Contracts where the Group is the Lessor*

The Group has entered into various lease agreements. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or a finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities. Currently, its leases are all operating leases.

(j) Distinction Between Joint Operations and Joint Ventures

The Group has entered into various joint arrangements. Critical judgment was exercised by management to distinguish each joint arrangement as either joint operations or joint ventures by looking at the rights and obligations held by an entity in relation to the arrangement.

(k) Determination of Lease Term of Contracts with Renewal and Termination Options

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

For leases of land and office space, the factors that are normally the most relevant are (a) if there are significant penalties should the Group pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the Group is reasonably certain not to terminate the lease contract. Otherwise, the Group considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised or not exercised or the Group becomes obliged to exercise or not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

(l) Accounting for Equity Ownership Interest in Subsidiaries, Associates and Joint Ventures

In classifying its equity acquisitions as an investment in a subsidiary, associate, or joint venture, the Group evaluates whether control, significant influence, or joint control exists. Control is present when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policy decisions. Joint control exists when contractual arrangements provide the parties sharing control with collective rights over relevant activities, such that major decisions require unanimous consent.

Management exercises judgment in determining the classification of each investment based on the substance of the contractual arrangements, governance structure, and the purpose and design of the investee, including an assessment of whether the Group holds substantive rights that provide it with the ability to direct the relevant activities and make key operating and financial decisions of the investee.

Based on management's assessment, the Parent Company has control over MGR and El Camino despite having ownership interests of 45% and 35%, respectively. Likewise, the Parent Company has control over CLI MAC and CLI NUD despite their legal structure as joint ventures. This control is evidenced by its direction of relevant activities and decision-making power on the operations of these entities by virtue of agreements between the stockholders, which provide the Parent Company with the ability to unilaterally direct key operating and financial decisions, while the rights of the other investors are protective in nature.

(m) Recognition of Provisions and Contingencies

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Where the possible outflow of economic resources resulting from present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets and are therefore not recognized in the consolidated financial statements. On the other hand, any reimbursement that the Group can be virtually certain to collect from a third party in relation to the obligation is recognized as a separate asset, but not in excess of the amount of the related provision.

Judgment is exercised by management to distinguish between provisions and contingencies. The disclosures on relevant contingencies are presented in Note 29.

(n) Determination of Preferred Shares as Equity or Liability

The Group exercises judgment in determining whether its preferred shares should be classified as financial liabilities or equity instruments. This assessment considers the specific terms and conditions of each preferred share issuance, including redemption provisions, dividend rights, and whether the Group has an unconditional right to avoid delivering cash or another financial asset. Depending on these features, preferred shares are accounted for as either liabilities or equity instruments, as applicable to each issuance by the Group. The resulting classification reflects the substance of the contractual rights and obligations, with further details provided in Notes 17 and 27.1 to the consolidated financial statements, and significantly affects the presentation of the Group's financial position and the recognition of the related distribution.

(o) Evaluation of Non-current Assets as Non-current Assets Held for Sale

The Group determines whether its non-current assets qualify as held for sale in accordance with PFRS 5, *Non-current Assets Held for Sale and Discontinued Operation*. The key judgments made in this assessment include (a) the expected timing of the sale; (b) the likelihood of regulatory approvals required for the sale; and (c) the intention and clear commitment of management to sell the assets.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) Revenue Recognition for Performance Obligations Satisfied Over Time

In determining the amount of revenue to be recognized for performance obligations satisfied over time, the Group measures progress on the basis of actual costs incurred relative to the total expected costs to complete such performance obligation.

Specifically, the Group estimates the total development costs with reference to the project development plan and any agreement with customers. Management regularly monitors its estimates and apply changes as necessary. A significant change in estimated costs would result in a significant change in the amount of revenue recognized in the year of change.

(b) *Determination of Appropriate Discount Rate in Measuring Lease Liabilities*

The Group measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using a reasonable rate deemed by management equal to the Group's incremental borrowing rate. In determining a reasonable discount rate, management considers the term of the leases, the underlying asset and the economic environment. Actual results, however, may vary due to changes in estimates brought about by changes in such factors.

(c) *Determination of Appropriate Discount Rate in Measuring Significant Financing Component*

When adjusting the consideration for significant financing component, an entity shall use the discount rate that would be reflected in a separate financing transaction at contract inception. Management considers the discount rate which would reflect the credit characteristics of the party receiving financing in the contract as well as any collateral or security provided by the customer or entity.

Specifically, for contracts classified as 'seller financing' the Group bases its lending rate on the rate extended to buyers who utilize its in-house financing. This lending rate is adjusted to reflect the specific circumstances of each financing transaction.

For contracts classified as 'buyer financing', the Group estimates the discount rate using a borrowing rate that would be consistent with a separate financing transaction where the Group is considered the borrower.

(d) *Estimation of Allowance for ECL*

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Management also applies judgment in the estimation of the contractual cash flows due from counterparties that the Group would expect to receive from the realization of any credit enhancements, including the discounting factor for recoveries beyond one year.

Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 31.2.

(e) *Determination of Net Realizable Value of Real Estate Inventories*

In determining the net realizable value of real estate inventories, management takes into account the most reliable evidence available at the dates the estimates are made. The future realization of the carrying amounts of real estate inventory as presented in Note 7, is affected by price changes in the different market segments as well as the trends in the real estate industry. These are considered key sources of estimation uncertainty and may cause significant adjustments to the Group's real estate inventories within the next financial reporting period. Considering the Group's pricing policy, the net realizable values of real estate inventories for sale are determined to be higher than their related costs.

(f) *Estimation of Useful Lives of Property and Equipment, Investment Properties and Right-of-use Assets*

The Group estimates the useful lives of property and equipment, investment properties and right-of-use assets based on the period over which the assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

The carrying amounts of property and equipment, right-of use assets, and investment properties are analyzed in Notes 11, 12 and 13, respectively. Based on management's assessment as at December 31, 2025 and 2024, there is no change in estimated useful lives of these assets during those periods. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned.

(g) *Impairment of Non-financial Assets*

The Group's Investment Properties, Property and Equipment and other non-financial assets are subject to impairment testing.

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Though management believes that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in those assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

Management assessed that no impairment loss is required to be provided on its significant non-financial assets, particularly property and equipment, right-of-use assets and investment properties, as at December 31, 2025 and 2024.

(b) *Valuation of Post-employment Defined Benefit Obligation*

The determination of the Group's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates and salary rate increase. A significant change in any of these actuarial assumptions may generally affect the recognized expense and the carrying amount of the post-employment defined benefit obligation in the next reporting period.

The amounts of post-employment defined benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment defined benefit as well as the significant assumptions used in estimating such obligation are presented in Note 24.3.

(i) *Fair Value Measurement of Share Options*

The Group estimates the fair value of the share option by applying an option valuation model, taking into account the terms and conditions on which the share option was granted. The estimates and assumptions used are presented in Note 27.4, which include, among others, the option's time of expiration, applicable risk-free interest rate, expected dividend yield, volatility of the Parent Company's share price. Changes in these factors can affect the fair value of share options at grant date.

Details of employee share option plan and the amount of fair value recognized is presented in Note 27.4.

(j) *Fair Value Measurement for Investment Properties*

Investment properties are measured using the cost model. The fair value of investment property held for capital appreciation and to earn rental income disclosed in the consolidated financial statements is determined by the Group based on the appraisal reports of a professional and independent appraiser.

The fair value is determined by reference to market-based evidence, which 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.

Such amount is influenced by different factors including the location and specific characteristics of the property, quantity of comparable properties in the market, and economic condition and behavior of the buying parties. A significant change in these elements may affect prices and the value of the assets being disclosed.

The fair value the Group's investment properties as at December 31, 2025 and 2024 is disclosed in Notes 13 and 32.3(c).

(k) *Fair Value Measurement for Business Combination*

The Group measures the consideration transferred and the identifiable assets acquired and liabilities assumed from the step acquisition of CLI NUD at their fair values at the acquisition date. Management assessed the carrying amounts of the acquired assets and liabilities to approximate their respective fair values, as CLI NUD was newly established and most of its transactions were recognized shortly before the acquisition date. Accordingly, the carrying amounts were largely based on recent transaction prices.

To assess whether there were any significant changes in value, management reviewed recent market transactions involving comparable assets and evaluated observable changes in market conditions between the date of the original acquisition and the acquisition date. Based on this assessment, management noted no significant fluctuations in the values of the acquired assets and assumed liabilities.

These fair value estimates are subject to measurement uncertainty. If new information about facts and circumstances that existed as at the acquisition date becomes available during the measurement period, the estimated fair values of the acquired assets and assumed liabilities may be revised as required by PFRS Accounting Standards.

4. SEGMENT INFORMATION

4.1 Business Segments

The Group's operating segments are organized and managed based on the nature of products and services provided. The Group's real estate segment covers the development and sale of residential and office units to individual and corporate buyers. The rental segment includes leasing of office and commercial spaces to corporate organizations. The management services segment focuses on the management of real estate projects and upkeep services to condominium corporations and housing associations. The hotel operations segment relates to the management of hotel business operations that caters hotel guest.

The Group generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

4.2 Segment Reporting

In identifying its operating segments, management generally follows the Group's products and service lines, which represent the main products and services provided by the Group.

Each of these operating segments is managed separately, as each service line requires different resources and operating strategies. All inter-segment transfers are carried out at arm's length prices.

For management purposes, the Group uses the same measurement policies as those used in its consolidated financial statements, except that the following are not included in arriving at the operating profit of the operating segments:

- post-employment benefit expenses;
- expenses relating to share-based payments;
- research costs relating to new business activities; and,
- revenue, costs and fair value gains from investment property.

In addition, corporate assets which are not directly attributable to the business activities of any operating segment are not allocated to a segment.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

4.3 Segment Assets and Liabilities

Segment assets are allocated based on their physical location and use or direct association with a specific segment and they include all operating assets used by a segment and consist principally of operating cash, receivables, real estate inventories, property and equipment, and investment properties, net of allowances and provisions. Similar to segment assets, segment liabilities are also allocated based on their use or direct association with a specific segment. Segment liabilities include all operating liabilities and consist principally of accounts, wages, taxes currently payable and accrued liabilities. Segment assets and segment liabilities do not include deferred taxes.

4.4 Intersegment Transactions

Segment revenues, expenses and performance include intersegment sales and purchases. Such sales and purchases are eliminated in consolidation, if any.

4.5 Analysis of Segment Information

The following tables present revenue and profit information regarding industry segments for the years ended December 31, 2025, 2024 and 2023 and certain assets and liabilities information regarding segments as at December 31, 2025 and 2024:

(Amounts in PHP)	2025				
	Real Estate	Rental	Management Services	Hotel Operations	Total
REVENUES AND INCOME					
Sale to external customer	17,782,574,379	226,552,155	77,427,129	430,874,739	18,517,428,402
Intersegment sales	63,384,255	17,755,312	212,837,697	8,954,189	302,931,453
	17,845,958,634	244,307,467	290,264,826	439,828,928	18,820,359,855
Gain on sale of investment properties	1,805,634,829	-	-	-	1,805,634,829
Total revenues and income	19,651,593,463	244,307,467	290,264,826	439,828,928	20,625,994,684
COSTS AND EXPENSES					
Costs of sales and services excluding depreciation and amortization	8,554,572,683	-	76,370,728	276,620,797	8,907,564,208
Operating expenses excluding depreciation and amortization	3,437,436,593	22,151,714	10,341,592	188,457,303	3,658,387,202
Depreciation and amortization	145,039,755	90,860,822	40,325	57,645,088	293,585,990
Impairment loss	-	-	1,980,540	-	1,980,540
Total costs and expenses	12,137,049,031	113,012,536	88,733,185	522,723,188	12,861,517,940
FINANCE COST(INCOME)					
Interest expense on:					
Loans	2,036,250,342	18,811,677	-	21,565,033	2,076,627,052
Bonds	152,789,262	-	-	-	152,789,262
Lease liabilities	69,558,635	-	-	13,932,601	83,491,236
Interest income on banks	(63,278,911)	(632,867)	(26,117)	(340,277)	(64,278,172)
Total finance cost (income)	2,195,319,328	18,178,810	(26,117)	35,157,357	2,248,629,378
SEGMENT PROFIT (LOSS) BEFORE TAX	5,319,225,104	113,116,121	201,557,758	(118,051,617)	5,515,847,366
ASSETS AND LIABILITIES					
Segment assets	111,651,805,456	21,198,516,617	39,473,995	3,178,936,970	136,068,733,038
Segment liabilities	91,512,768,275	133,227,972	129,455,186	3,804,272,187	95,579,723,620

2024 (As Restated – see Note 2)					
(Amounts in PHP)	Real Estate	Rental	Management Services	Hotel Operations	Total
REVENUES AND INCOME					
Sale to external customer	18,180,484,428	162,412,193	63,932,835	240,468,442	18,647,297,898
Intersegment sales	27,390,264	10,565,044	179,051,469	160,823	217,167,600
	18,207,874,692	172,977,237	242,984,304	240,629,265	18,864,465,498
Gain on sale of investment properties	399,444,469	-	-	-	399,444,469
Total revenues and income	18,607,319,161	172,977,237	242,984,304	240,629,265	19,263,909,967
COSTS AND EXPENSES					
Costs of sales and services excluding depreciation and amortization	8,606,456,622	-	43,189,532	160,116,973	8,809,763,127
Operating expenses excluding depreciation and amortization	2,835,464,496	14,317,785	16,731,716	226,690,747	3,093,204,744
Depreciation and amortization	94,548,094	67,864,232	19,977	13,086,857	175,519,160
Impairment loss	-	-	566,025	-	566,025
Total costs and expenses	11,536,469,212	82,182,017	60,507,250	399,894,577	12,079,053,056
FINANCE COST (INCOME)					
Interest expense on:					
Loans	1,954,196,887	16,169,279	-	1,061,319	1,971,427,485
Bonds	131,374,423	-	-	-	131,374,423
Lease liabilities	68,011,157	-	-	13,986,543	81,997,700
Interest income on banks	(20,210,061)	(159,218)	(5,533)	(207,611)	(20,582,423)
Total finance cost (income)	2,133,372,406	16,010,061	(5,533)	14,840,251	2,164,217,185
SEGMENT PROFIT (LOSS) BEFORE TAX	4,937,477,543	74,785,159	182,482,587	(174,105,563)	5,020,639,726
ASSETS AND LIABILITIES					
Segment assets	87,948,629,508	19,194,265,058	76,360,476	3,011,614,369	110,230,869,411
Segment liabilities	72,022,526,371	82,779,598	120,034,121	2,363,856,285	74,589,196,375
Non-current asset held for sale	237,832,347	-	-	-	237,832,347
2023					
(Amounts in PHP)	Real Estate	Rental	Management Services	Hotel Operations	Total
REVENUES					
Sale to external customer	18,508,302,086	112,343,856	59,216,126	138,551,300	18,818,413,368
Intersegment sales	(250,714)	17,808,753	172,903,762	-	190,461,801
Total revenues	18,508,051,372	130,152,609	232,119,888	138,551,300	19,008,875,169
COSTS AND EXPENSES					
Costs of sales and services excluding depreciation and amortization	8,230,066,891	771,352	31,403,825	54,607,458	8,316,849,526
Operating expenses excluding depreciation and amortization	2,532,762,062	10,037,973	20,806,625	120,067,486	2,683,674,146
Depreciation and amortization	88,661,778	85,950,388	26,454	12,272,531	186,911,151
Impairment loss	-	-	-	432,793	432,793
Total costs and expenses	10,851,490,731	96,759,713	52,236,904	187,380,268	11,187,867,616
FINANCE COST (INCOME)					
Interest expense on:					
Loans	2,202,639,676	3,236,270	-	-	2,205,875,946
Bonds	66,856,868	-	-	-	66,856,868
Lease liabilities	-	66,164,357	-	14,002,943	80,167,300
Interest income on banks	(13,466,493)	(95,293)	(3,790)	(309,123)	(13,874,699)
Total finance cost (income)	2,256,030,051	69,305,334	(3,790)	13,693,820	2,339,025,415
SEGMENT PROFIT (LOSS) BEFORE TAX	5,400,530,590	(35,912,438)	179,886,774	(62,522,788)	5,481,982,138

The segments are further analyzed based on their geographical location as shown in Note 18.1.

Sales to any of the Group's major customers did not exceed 10% of the Group's revenues in all of the years presented.

4.6 Reconciliation

Following is a reconciliation of the Group's segment information to the key financial information presented in its consolidated financial statements.

<i>(Amounts in PHP)</i>	2025	2024 (As Restated – see Note 2)	2023
Revenues			
Total segment revenues and income	20,625,994,684	19,263,909,967	19,008,875,169
Elimination of intersegment revenues	(302,931,453)	(217,167,600)	(190,461,801)
Gain on sale of investment properties	(1,805,634,829)	(399,444,469)	-
Revenues as reported in profit or loss	<u>18,517,428,402</u>	<u>18,647,297,898</u>	<u>18,818,413,368</u>
Profit or loss			
Segment profit before tax	5,515,847,366	5,020,639,726	5,481,982,138
Other operating income (excluding Gain on sale of investment properties)	417,807,948	452,169,850	410,779,779
Adjustments for intersegment accounts	(360,433,395)	(217,017,756)	(193,532,942)
Share in net gain (loss) in associates and a joint venture	208,363	(2,879,180)	(12,570,144)
Other losses - net	<u>(59,493,312)</u>	<u>(25,133,336)</u>	<u>(3,809,681)</u>
Profit before tax as reported in profit or loss	<u>5,513,936,970</u>	<u>5,227,779,304</u>	<u>5,682,849,150</u>
<i>(Amounts in PHP)</i>	2025	2024	
Assets			
Segment assets	136,068,733,038	110,230,869,411	
Non-current assets held for sale	-	237,832,347	
Elimination of intercompany accounts	<u>(1,911,423,617)</u>	<u>(1,466,176,916)</u>	
Total assets as reported in the consolidated statements of financial position	<u>134,157,309,421</u>	<u>109,002,524,842</u>	
Liabilities			
Segment liabilities	95,579,723,620	74,589,196,375	
Deferred tax liabilities	6,572,676,251	5,752,987,226	
Elimination of intercompany accounts	<u>(2,721,844,281)</u>	<u>(1,645,778,164)</u>	
Total liabilities as reported in the consolidated statements of financial position	<u>99,430,555,590</u>	<u>78,696,405,437</u>	

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components as at December 31:

<i>(Amounts in PHP)</i>	2025	2024
Cash on hand	7,559,112	5,803,968
Cash in banks	1,860,554,518	1,351,646,121
Short-term placements	<u>1,172,501,926</u>	<u>225,788,906</u>
	<u>3,040,615,556</u>	<u>1,583,238,995</u>

Cash in banks (savings and demand deposits) generally earn interest based on daily bank deposit rates.

Short-term placements are made for varying periods from 4 to 36 days and earn effective interest ranging from 1.75% to 5.50% per annum in 2025, ranging from 1.50% to 5.50% per annum in 2024, and ranging from 3.00% to 3.50% per annum in 2023.

Interest income earned from cash and cash equivalents is presented as part of Finance Income in the consolidated statements of profit or loss (see Note 23).

6. RECEIVABLES

This account includes the following:

<i>(Amounts in PHP)</i>	Notes	2025	2024
Contract receivables:	18		
Third parties		2,689,407,733	2,547,380,421
Related parties	26.3, 26.4, 26.5	2,294,494,227	1,083,735,784
Retention receivable		247,571,464	228,839,768
Management fee receivable		164,296,911	151,382,428
Receivable from contractors and suppliers		162,431,157	249,943,611
Rent receivable		100,498,441	90,307,660
Receivable from hotel operations customers		98,557,358	31,563,871
Advances to officers and employees		77,061,313	50,171,519
Receivable from insurance		67,763,900	74,603,761
Receivable from move-in fees		67,373,198	43,867,057
Other receivables		256,255,314	60,393,159
		<u>6,225,711,016</u>	<u>4,612,189,039</u>
Allowance for impairment	31.2(c)	<u>(1,180,895)</u>	<u>(2,436,656)</u>
		<u>6,224,530,121</u>	<u>4,609,752,383</u>

Receivables are presented in the consolidated statements of financial position as follows:

<i>(Amounts in PHP)</i>	2025	2024
Current	4,707,683,379	4,481,590,912
Non-current	<u>1,516,846,742</u>	<u>128,161,471</u>
	<u>6,224,530,121</u>	<u>4,609,752,383</u>

Buyers of real estate properties are given two to four years to complete the equity amortization, which ranges from 10% to 30% of the contract price of the real estate being purchased. Contract receivables, which are all covered by postdated checks, are only recognized when the collection of total transaction price is reasonably assured and the corresponding revenue is recognized. Generally, full payment by buyers of their equity amortization is followed by full settlement by the buyer's chosen financing institution of the buyer's account within 12 months. Title to real estate properties are transferred to the buyers once full payment has been made. Hence, contract receivables are fully secured by the real properties acquired by buyers.

Long-term contract receivables, which are noninterest-bearing, are receivables from buyers whose equity payments are expected to be fully paid after 12 months following the end of the reporting period. These are measured at amortized cost, which is determined by discounting future cash flows using the applicable rates of similar types of instruments. The aggregate unamortized discount on noninterest-bearing contract receivables amounts to P63,814,805 and P7,975,990 as at December 31, 2025 and 2024, respectively.

The Parent Company has day-one loss on noninterest-bearing contract receivables, net of amortization of day one loss, amounting to P55,094,989, P2,666,907 and P3,751,672, and is presented as part of Finance Costs in the 2025, 2024 and 2023 consolidated statements of profit or loss, respectively (see Note 22).

Retention receivable represents amounts retained by Home Development Mutual Fund (HDMF) from the proceeds of loans availed by real estate buyers in accordance with HDMF Circular No. 182-A to pay off their obligations to the Group.

Advances to officers and employees are composed of advances intended for the Group's operations and are subject to liquidation.

Receivable from insurance pertains to outstanding claims filed with various insurance companies in relation to damages incurred to the insured properties of the Group.

The Group assesses an ECL when the receivables from contract with customers and other counterparties are initially recognized and updates the assessment at each reporting date based on the analysis determined by management. A reconciliation of the allowance for impairment at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	2,436,656	2,242,262
Impairment losses	1,980,540	566,025
Write-off	(3,236,301)	(371,631)
Balance at end of year	<u>1,180,895</u>	<u>2,436,656</u>

7. REAL ESTATE INVENTORIES

This account includes the following inventories, which are all at cost.

<i>(Amounts in PHP)</i>	Note	2025	2024
Condominium units		716,166,222	705,579,267
Subdivision units		199,582,401	33,349,096
		<u>915,748,623</u>	<u>738,928,363</u>
Construction-in-progress (CIP):			
Land development costs		12,827,606,197	6,621,084,590
Condominium building costs		2,272,836,943	3,141,894,900
Housing costs		2,171,437,289	1,723,334,448
		<u>17,271,880,429</u>	<u>11,486,313,938</u>
Raw land inventory	8	<u>2,985,701,011</u>	<u>854,851,112</u>
		<u>21,173,330,063</u>	<u>13,080,093,413</u>

An analysis of the cost of real estate inventory included in cost of sales is presented in Note 19.

Land development costs pertain to the cost of land acquisition, and site development costs of horizontal projects and other future site projects of the Group.

Condominium building costs consist of the cost of land and the cost to construct the units of the vertical projects of the Group. Housing costs pertain to the cost of house construction for the horizontal projects of the Group.

Raw land inventory consists of parcels of land owned by the Group in various locations. These are expected to be developed into saleable condominium or subdivision units.

In 2025, 2024 and 2023, the Group reclassified certain investment properties to real estate inventories (see Note 13). In 2024 and 2023, the Group reclassified certain real estate inventories to property and equipment (see Note 11).

As at December 31, 2025 and 2024, real estate inventories totaling to P7,816,486,575 and P8,603,226,955, respectively, are used as collateral for certain interest-bearing loans and borrowings of the Parent Company (see Note 15.1).

Based on management's assessment, there is no allowance for inventory write-down required to be recognized in 2025, 2024, and 2023; hence, inventories are recorded at cost as at December 31, 2025 and 2024.

8. DEPOSITS ON LAND FOR FUTURE DEVELOPMENT

Deposits on land for future development pertains to advance payments for acquisitions of certain parcels of land which are intended for future development into saleable real estate projects. These are transferred to real estate inventories upon completion of the acquisition and satisfaction of the criteria for recognition as inventory, including completion of documentation and transfer of legal title or substantially all risks and rewards, as applicable (see Note 29.4).

A reconciliation of the deposits on land for future development is presented below.

<i>(Amounts in PHP)</i>	Note	2025	2024
Balance at beginning of year		-	15,000,000
Additions		1,098,764,038	-
Transferred to raw land inventory	7	(316,459,188)	(15,000,000)
Balance at end of year		782,304,850	-

The deposits on land for future development are presented under Current Assets in the 2025 consolidated statement of financial position.

9. PREPAYMENTS AND OTHER CURRENT ASSETS

This account includes the following:

<i>(Amounts in PHP)</i>	Note	2025	2024
Advances to subcontractors		3,118,661,804	2,584,276,483
Deferred commissions	18.3	2,314,807,424	1,457,932,918
Input VAT and deferred input VAT		2,063,658,416	1,603,401,411
Advances to suppliers		1,155,578,813	581,094,314
Prepaid taxes		1,004,112,964	680,803,508
Restricted escrow fund		449,119,013	-
Short-term investments		220,581,011	344,058,432
Prepaid expenses		117,560,177	94,807,103
Others		19,416,360	15,037,722
		<u>10,463,495,982</u>	<u>7,361,411,891</u>

Advances to subcontractors and suppliers include advance payments for materials, payment of labor and overhead expenses for on-going construction of subdivision and condominium units for sale. These are applied against the progress billings of subcontractors and are classified as current assets as it is related to projects for sale.

Restricted escrow fund pertains to cash received by CLVI under an escrow arrangement related to NTTUDA's subscription of redeemable preferred shares (see Note 17). Under the terms of the agreement, the escrowed funds may be disbursed only for purposes mutually agreed upon by both parties and released solely upon their joint written instructions. The escrow fund consists entirely of cash held in savings accounts with a reputable bank. As at December 31, 2025, the fund is expected to be utilized within the next 12 months.

Short-term investments pertain to escrow funds that are required to be set up in relation to the Group's compliance with the regulatory requirements for issuance of license to sell, and are restricted for use in the Group's operations. The escrow funds are significantly comprised of investments in treasury bills with maturity dates of up to 12 months, earning effective interest ranging from 5.00% to 6.50% and 5.00% to 6.50% per annum in 2025 and 2024, respectively. This is presented as part of Interest income on banks under Finance Income in the consolidated statements of profit or loss (see Note 23).

Prepaid expenses include advance payment for insurance and rent.

**10. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE/
NON-CURRENT ASSET HELD FOR SALE (NCAHFS)**

10.1 Breakdown of Carrying Amounts

A reconciliation of the carrying amounts of investments in associates at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	152,506,039	142,489,432
Additional investments	23,250,000	10,000,000
Share in net profit (loss) during the year	<u>(480,459)</u>	<u>16,607</u>
Balance at end of year	<u>175,275,580</u>	<u>152,506,039</u>

A reconciliation of the carrying amount of investment in a joint venture (CLI NUD) at the beginning and end of 2025 and 2024 is shown below (see Note 10.3).

<i>(Amounts in PHP)</i>	<u>Note</u>	<u>2025</u>	<u>2024</u>
Balance at beginning of year		632,378,982	-
Additional investments		147,583,216	873,107,116
Reclassification from (to) NCAHFS	10.3	237,832,347	(237,832,347)
Share in net profit (loss) during the year		688,822	(2,895,787)
Consolidation through step acquisition	10.3	<u>(1,018,483,367)</u>	<u>-</u>
Balance at end of year		<u>-</u>	<u>632,378,982</u>

As at December 31, 2024, the Group has total commitment to contribute capital to the joint venture amounting to P3,847,604,762, of which P873,107,116 has been paid. Further, the Group has no contingent liabilities related to the joint venture, nor has it assessed the probability of loss arising from contingent liabilities as remote.

As at December 31, 2025, the Group no longer holds an interest in a joint venture.

An analysis of the carrying amount of the Parent Company's investments in associates and a joint venture as at December 31, 2025 and 2024 is shown below.

(Amounts in PHP)		Associates		Join Venture	
	IGCC	Magspeak	ICOM	CLI NUD	Total
December 31, 2025					
Cost					
Balance at beginning of year	8,500,000	30,735,096	140,300,934	635,274,769	814,810,799
Additional investments	10,000,000	500,000	12,750,000	147,583,216	170,833,216
Reclassification from NCAHFS	-	-	-	237,832,347	237,832,347
Consolidation through step acquisition	-	-	-	(1,020,690,332)	(1,020,690,332)
Balance at end of year	18,500,000	31,235,096	153,050,934	-	202,786,030
Accumulated equity in net losses					
Balance at beginning of year	(1,231,930)	(4,517,832)	(21,280,229)	(2,895,787)	(29,925,778)
Equity in net gains (losses) during the year	125,909	(606,368)	-	688,822	208,363
Consolidation through step acquisition	-	-	-	2,206,965	2,206,965
Balance at end of year	(1,106,021)	(5,124,200)	(21,280,229)	-	(27,510,450)
Carrying Amount	17,393,979	26,110,896	131,770,705	-	175,275,580
December 31, 2024					
Cost					
Balance at beginning of year	8,500,000	30,735,096	130,300,934	-	169,536,030
Additional investments	-	-	10,000,000	873,107,116	883,107,116
Reclassification to NCAHFS	-	-	-	(237,832,347)	(237,832,347)
Balance at end of year	8,500,000	30,735,096	140,300,934	635,274,769	814,810,799
Accumulated equity in net losses					
Balance at beginning of year	-	(3,820,692)	(23,225,906)	-	(27,046,598)
Equity in net losses during the year	(1,231,930)	(697,140)	1,945,677	(2,895,787)	(2,879,180)
Balance at end of year	(1,231,930)	(4,517,832)	(21,280,229)	(2,895,787)	(29,925,778)
Carrying Amount	7,268,070	26,217,264	119,020,705	632,378,982	784,885,021

10.2 Summarized Financial Information

The aggregated amounts of assets, liabilities and equity are as follows:

(Amounts in PHP)	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity
December 31, 2025					
Associates:					
Magspeak	18,256,356	91,607,403	5,423,175	-	104,443,584
ICOM	38,542,335	414,694,048	53,931,217	-	399,305,166
IGCC	17,101,340	23,349,774	-	-	40,451,114
	73,900,031	371,052,018	57,112,708	-	387,839,341
December 31, 2024					
Associates:					
Magspeak	18,230,592	87,521,716	1,063,085	-	104,689,224
ICOM	38,542,335	279,444,615	53,931,217	-	264,055,733
IGCC	17,101,340	-	-	-	17,101,340
Joint Venture – CLI NUD	2,434,325,618	-	252,391,309	-	2,181,934,309
	2,508,199,885	366,966,331	307,385,611	-	2,567,780,606

The aggregated amounts of revenues, net loss, other comprehensive loss are as follows:

<i>(Amounts in PHP)</i>	<u>Revenues</u>	<u>Net Loss</u>	<u>Other Comprehensive Income</u>	<u>Total Comprehensive loss</u>
2025				
Magspeak	-	(2,425,468)	-	(2,425,468)
ICOM	13,251,669	(19,465,017)	-	(19,465,017)
IGCC	-	(2,901,669)	-	(2,901,669)
2024				
Associates:				
Magspeak	-	(2,788,562)	-	(2,788,562)
ICOM	13,251,669	(19,465,017)	-	(19,465,017)
IGCC	-	(2,901,669)	-	(2,901,669)
Joint Venture – CLI NUD	-	(9,652,627)	-	(9,652,627)
2023				
Magspeak	-	(3,929,611)	-	(3,929,611)
ICOM	12,452,209	(32,839,961)	-	(20,387,752)
IGCC	-	-	-	-

The reconciliation of the summarized financial information to the carrying amount of the interest in associates are as follows:

<i>(Amounts in PHP)</i>	<u>IGCC</u>	<u>Associates Magspeak</u>	<u>ICOM</u>	<u>Join Venture CLI NUD</u>	<u>Total</u>
2025					
Net assets at end of year	40,451,114	104,443,584	399,305,166	-	
Proportion of equity interest by the Parent Company	43%	25%	33%	-	
Carrying amount of investment	<u>17,393,979</u>	<u>26,110,896</u>	<u>131,770,705</u>	<u>-</u>	<u>175,275,580</u>
2024					
Net assets at end of year	17,101,340	104,689,224	264,055,733	2,181,934,309	
Proportion of equity interest by the Parent Company	43%	25%	33%	30%	
Parent Company's share in the net assets of the Associates	7,268,070	26,217,264	87,930,559	632,378,982	
Other stockholders' unpaid subscription	-	-	31,090,146	-	
Carrying amount of investment	<u>7,268,070</u>	<u>26,217,264</u>	<u>119,020,705</u>	<u>632,378,982</u>	<u>784,885,021</u>

The shares in net losses of associates totaling P480,459, P6,488,717, and P12,570,144 were recognized in 2025, 2024 and 2023, respectively, in the consolidated statements of profit or loss.

There were no dividends received from the Group's associates and joint venture in 2025, 2024 and 2023.

10.3 Consolidation of CLI NUD Through Step Acquisition

In April 2024, CLI NUD was established as a joint venture in which CLI holds 60% interest and NITTUDA holds the remaining 40% interest [see Note 1.2(k)]. In November 2024, CLI approved a plan to sell 30% of its interest in CLI NUD. As a result, the related carrying amount of P237,832,347 was presented as Non-current Asset Held for Sale in the 2024 consolidated statement of financial position. In September 2025, the planned sale was cancelled, and the related investment was reclassified back as part of the Group's investment in a joint venture.

On October 1, 2025 (the acquisition date), CLI obtained control without transferring additional consideration. Control was obtained through contractual rights under a Management Agreement, which grants CLI the power to direct the relevant activities of CLI NUD, including decisions over project development, financing and operations [see Note 3.1(l)].

The primary reason for obtaining control was to enable CLI to directly manage and integrate the projects implemented through CLI NUD into the Group's overall development strategy. This allows CLI to leverage its technical expertise and established marketing capabilities to achieve consistent project execution and improved operational efficiency. As a result, CLI acquired the ability to govern the financial and operating policies of CLI NUD and to obtain benefits from its activities. Accordingly, the transaction was accounted for as a step acquisition in accordance with PFRS 3, *Business Combinations* (see Note 2.6).

The identifiable assets acquired and liabilities assumed were recognized at their respective fair values as at the acquisition date. Management assessed that these fair values approximate their carrying amounts as they reflect recent arm's length transactions and valuations and considering that CLI NUD was newly established at the time of acquisition. No contingent liabilities and intangible assets were identified as part of the step acquisition.

In accordance with PFRS 3, the fair value of the consideration transferred at the acquisition date consisted of the fair value of the Group's previously held 60% equity interest in CLI NUD. The previously held equity interest was remeasured at fair value at the acquisition date using the same valuation applied in determining the fair value of CLI NUD's identifiable net assets. As the resulting fair value approximated the carrying amount of the previously held equity interest, no remeasurement gain or loss was recognized. The non-controlling interest was similarly measured at its proportionate share of the fair value of CLI NUD's identifiable net assets, which likewise approximate their carrying amounts.

Based on the foregoing assessments, no goodwill or gain on bargain purchase arose from the transaction.

The details of the amounts of identifiable assets acquired, liabilities assumed and the allocation of the previously held interest and non-controlling interest as at the acquisition date are summarized below (*Amounts in PHP*):

Identifiable Assets and Liabilities Acquired	
Cash	27,877,700
Receivables and contract assets	19,627,386
Real estate inventories	2,353,431,575
Property and equipment	41,621,489
Investment properties	21,653,896
Other assets	433,464,843
Trade and other payables	(463,915,137)
	<u>2,433,761,752</u>
Allocation of Identifiable Net Assets	
Fair value of previously held interest (60%)	1,018,483,367
Non-controlling interest (40%)	1,415,278,385
	<u>2,433,761,752</u>
Goodwill (Gain on bargain purchase)	<u>-</u>

Any adjustments identified during the measurement period will be recognized retrospectively, as if the accounting for the business combination had been completed at the acquisition date. Such adjustments will be reflected through corresponding changes to the comparative information and goodwill or gain on bargain purchase, as applicable.

CLI NUD's revenues and profit contribution from the acquisition date to December 31, 2025 were not material. Management also assessed that CLI NUD's pre-acquisition results were not significant to the consolidated financial statements. Had the acquisition occurred on January 1, 2025, the effect on the Group's consolidated revenues and profit would have been immaterial; therefore, no pro forma financial information is presented.

11. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of 2025 and 2024 are shown below.

<i>(Amounts in PHP)</i>	Land	Building and Parking Units	Operating Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
December 31, 2025								
Cost	359,058,133	1,486,133,674	187,453,365	86,718,765	56,496,069	16,842,695	11,249,070,617	13,441,773,318
Accumulated depreciation and amortization	-	(244,290,597)	(109,143,569)	(59,394,745)	(44,660,765)	(15,098,576)	-	(472,588,252)
Net carrying amount	359,058,133	1,241,843,077	78,309,796	27,324,020	11,835,304	1,744,119	11,249,070,617	12,969,185,066
December 31, 2024								
(As Restated – see Note 2.1)								
Cost	359,058,133	587,072,012	139,391,197	72,666,172	50,423,434	16,842,695	9,333,834,006	10,559,287,649
Accumulated depreciation and amortization	-	(166,872,520)	(87,424,493)	(50,595,646)	(38,794,942)	(13,537,852)	-	(357,225,453)
Net carrying amount	359,058,133	420,199,492	51,966,704	22,070,526	11,628,492	3,304,843	9,333,834,006	10,202,062,196
December 31, 2023								
(As Restated – see Note 2.1)								
Cost	359,058,133	512,706,244	125,131,130	60,827,521	50,499,782	14,587,797	7,381,547,251	8,504,357,858
Accumulated depreciation and amortization	-	(142,131,917)	(69,747,528)	(47,766,743)	(33,152,170)	(8,590,912)	-	(301,389,270)
Net carrying amount	359,058,133	370,574,327	55,383,602	13,060,778	17,347,612	5,996,885	7,381,547,251	8,202,968,588

A reconciliation of the carrying amounts of property and equipment at the beginning and end of 2025, 2024 and 2023 is as follows:

<i>(Amounts in PHP)</i>	Land	Building and Parking Units	Operating Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Balance at January 1, 2025 net of accumulated depreciation and amortization	359,058,133	420,199,492	51,966,704	22,070,526	11,628,492	3,304,843	9,333,834,006	10,202,062,196
Additions	-	351,302,858	48,631,765	15,934,872	6,062,868	-	2,376,747,075	2,798,679,438
Addition through step acquisition (see Note 10.3)	-	-	-	-	-	-	41,621,489	41,621,489
Reclassifications	-	547,758,806	-	-	-	-	(471,526,563)	76,232,243
Disposals	-	-	(569,595)	(1,916,000)	-	-	-	(2,485,595)
Depreciation and amortization for the year	-	(77,418,079)	(21,719,078)	(8,765,378)	(5,856,056)	(1,560,724)	(31,605,390)	(146,924,705)
Balance at December 31, 2025 net of accumulated depreciation and amortization	359,058,133	1,241,843,077	78,309,796	27,324,020	11,835,304	1,744,119	11,249,070,617	12,969,185,066
Balance at January 1, 2024 net of accumulated depreciation and amortization	359,058,133	370,574,327	55,383,602	13,060,778	17,347,612	5,996,885	7,381,547,251	8,202,968,588
Additions (As Restated – see Note 2.1)	-	39,961,382	13,907,311	16,872,820	784,664	-	1,986,431,322	2,057,957,499
Reclassifications	-	36,680,110	807,220	334	(829,996)	-	(34,144,567)	2,513,101
Disposals	-	-	(26,008)	(1,345,690)	-	-	-	(1,371,698)
Depreciation and amortization for the year	-	(27,016,327)	(18,105,421)	(6,517,716)	(5,673,788)	(2,692,042)	-	(60,005,294)
Balance at December 31, 2024 net of accumulated depreciation and amortization (As Restated – see Note 2.1)	359,058,133	420,199,492	51,966,704	22,070,526	11,628,492	3,304,843	9,333,834,006	10,202,062,196

<i>(Amounts in PHP)</i>	Land	Building and Parking Units	Office Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Balance at January 1, 2023 net of accumulated depreciation and amortization	359,058,133	284,106,605	58,304,533	14,729,206	12,526,702	7,928,418	4,882,936,592	5,798,671,877
Additions (As Restated – see Note 2.1)	-	97,747,164	13,857,110	4,359,670	10,040,647	39,955	2,498,610,659	2,624,655,205
Reclassification	-	13,583,203	-	-	-	-	-	13,583,203
Disposal	-	-	(33,884)	(547,321)	-	-	-	(581,205)
Depreciation and amortization for the year	-	(24,862,645)	(16,744,157)	(5,480,777)	(5,219,737)	(1,971,488)	-	(54,278,804)
Balance at December 31, 2023 net of accumulated depreciation and amortization (As Restated – see Note 2.1)	<u>359,058,133</u>	<u>370,574,327</u>	<u>55,383,602</u>	<u>13,060,778</u>	<u>17,347,612</u>	<u>5,996,885</u>	<u>7,381,547,251</u>	<u>8,202,968,588</u>

Depreciation and amortization expense on property and equipment is presented as part of Operating Expenses in the consolidated statements of profit or loss (see Note 20).

In 2025, 2024, and 2023, the Group disposed of certain property and equipment with carrying amounts of P2,485,595, P1,371,698, and P581,205, respectively, for P2,482,758, P2,740,603, and P563,795, respectively. The related gain or loss on sale of property and equipment is presented as part of Other Losses in the consolidated statements of profit or loss (Note 21.2).

In 2025, 2024 and 2023, the Group reclassified investment property to Building with carrying amounts of P76,232,243, P312,500 and P502,646, respectively (see Note 13). In 2024 and 2023, the Group reclassified real estate inventory to Building with carrying amount of P2,200,601 and P13,080,557, respectively. There was no similar transaction in 2025. These properties are currently being used as staff houses for the Group's employees.

Borrowing costs that are capitalized as part of property and equipment amounted to P1,174,147,146, P833,079,451 and P572,141,966 in 2025, 2024 and 2023, respectively, which represents the allocated borrowing costs incurred on loans, corporate notes and bonds obtained to fund the construction projects (see Notes 15 and 16).

Borrowing costs are capitalized when they are directly attributable to the acquisition or construction of qualifying assets. Capitalization starts when expenditures and borrowing costs are incurred and activities necessary to prepare the asset for its intended use are in progress, and it ceases when the asset is substantially ready for its intended use.

Certain land, building, office equipment, furniture and fixtures and construction in progress with an aggregate carrying amount of P10,394,856,952 and P8,192,601,799 as at December 31, 2025 and 2024, respectively, are used as collateral for certain interest-bearing loans of the Group (see Note 15.1).

As at December 31, 2025 and 2024, the cost of the Group's fully-depreciated property and equipment that are still used in operations amounted to P174,176,191 and P128,005,577, respectively.

12. LEASES

The Group entered into lease contracts, as lessee, for leases of land and office spaces. With the exception of short-term leases and leases of low-value underlying assets, each lease is presented in the consolidated statements of financial position as Right-of-use Assets and the corresponding obligation, as Lease Liabilities. Variable lease payments, which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and asset.

Leases generally restrict the use of the underlying assets to the Group, unless subleasing is contractually permitted. Leases are generally non-cancellable, or may only be cancelled by incurring a substantive termination fee, as applicable to each contract. Some leases contain an option to purchase the underlying lease asset outright at the end of the lease, or to extend the lease for a further term.

Under the lease contracts, the Group is prohibited from selling or pledging the underlying leased assets as security. For the lease of office space, the Group must keep the related property in a good state of repair and return the property in good condition at the end of the lease. For the lease on the land, the Group must insure all the improvements made on the property.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognized in the 2025 and 2024 consolidated statement of financial position.

	Number of right-of-use assets leased	Remaining Lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
December 31, 2025					
Land	4	18 to 35 years	-	-	-
Office space	1	1 year	1	-	1
December 31, 2024					
Land	4	19 to 36 years	-	-	-
Office space	2	2 years	1	-	1

12.1 Right-of-use Assets

The carrying amounts of the Group's right-of-use assets as at December 31, 2025 and 2024 and the movements during the year are shown as follows:

<i>(Amounts in PHP)</i>	<u>Land</u>	<u>Office Space</u>	<u>Total</u>
<u>2025</u>			
Cost	<u>1,268,208,672</u>	<u>15,877,921</u>	<u>1,284,086,593</u>
Accumulated amortization			
Balance at beginning of year	174,997,465	14,585,971	189,583,436
Amortization for the year	<u>36,416,344</u>	<u>1,291,950</u>	<u>37,708,294</u>
Balance at end of year	<u>211,413,809</u>	<u>15,877,921</u>	<u>227,291,730</u>
Carrying amount as at December 31	<u>1,056,794,863</u>	<u>-</u>	<u>1,056,794,863</u>

<i>(Amounts in PHP)</i>	<u>Land</u>	<u>Office Space</u>	<u>Total</u>
2024			
Cost			
Balance at beginning of year	1,263,032,633	15,877,921	1,278,910,554
Additions	<u>5,176,039</u>	<u>-</u>	<u>5,176,039</u>
Balance at end of year	<u>1,268,208,672</u>	<u>15,877,921</u>	<u>1,284,086,593</u>
Accumulated amortization			
Balance at beginning of year	137,528,364	11,776,783	149,305,147
Amortization for the year	<u>37,469,101</u>	<u>2,809,188</u>	<u>40,278,289</u>
Balance at end of year	<u>174,997,465</u>	<u>14,585,971</u>	<u>189,583,436</u>
Carrying amount as at December 31	<u>1,093,211,207</u>	<u>1,291,950</u>	<u>1,094,503,157</u>

12.2 Lease Liabilities

Lease liabilities presented in the consolidated statements of financial position as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current	70,824,271	57,922,896
Non-current	<u>1,245,462,755</u>	<u>1,233,425,726</u>
	<u>1,316,287,026</u>	<u>1,291,348,622</u>

The Group is fully liable for the rentals on the remaining term of the lease of office space, including any interest, penalties, utility charges and damages for termination prior to expiration of the contract. The contracts of lease on land do not provide for any future lease termination and extension options.

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Gross payments		
Within one year	69,484,175	57,922,896
From one to two years	72,749,181	70,800,153
From two to three years	74,496,653	72,544,815
From three to four years	76,569,642	74,282,070
From four to five years	96,537,749	76,344,330
More than five years	<u>3,375,318,584</u>	<u>3,476,206,634</u>
	<u>3,765,155,984</u>	<u>3,828,100,898</u>
Total finance charges	<u>(2,448,868,958)</u>	<u>(2,536,752,276)</u>
Net present value	<u>1,316,287,026</u>	<u>1,291,348,622</u>

12.3 Lease Payments Not Recognized as Liabilities

The Group has elected not to recognize a lease liability for short-term leases or for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred. The expense relating to short-term leases and low-value assets is presented as Rent under Operating Expenses in the consolidated statements of profit or loss (see Note 20).

12.4 Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect of leases amounted to P58,552,832, P53,505,133 and P54,646,634 in 2025, 2024 and 2023, respectively (see Note 34). The interest expense in relation to the lease liabilities are presented as part of Interest expense on lease liabilities under Finance Costs in the consolidated statement of profit or loss (see Note 22).

13. INVESTMENT PROPERTIES

The Group's investment properties include parcels of land held for development of properties, condominium units and retail building for lease. The gross carrying amounts and accumulated depreciation of investment properties at the beginning and end of 2025 and 2024 are shown below.

<i>(Amounts in PHP)</i>	<u>Retail Building</u>	<u>Condominium Units</u>	<u>Parking Units</u>	<u>Land</u>	<u>Constructions in Progress</u>	<u>Total</u>
December 31, 2025						
Costs	2,245,590,785	812,697,758	467,205,707	2,079,841,636	15,915,449,814	21,520,785,700
Accumulated depreciation	(232,455,676)	(222,616,691)	(39,704,028)	-	-	(494,776,395)
Carrying amount	<u>2,013,135,109</u>	<u>590,081,067</u>	<u>427,501,679</u>	<u>2,079,841,636</u>	<u>15,915,449,814</u>	<u>21,026,009,305</u>
December 31, 2024						
(As Restated – see Note 2.1)						
Costs	1,345,643,285	912,472,958	119,341,334	2,370,054,512	14,052,132,615	18,799,644,704
Accumulated depreciation	(183,362,002)	(184,792,801)	(23,202,616)	-	-	(391,357,419)
Carrying amount	<u>1,162,281,283</u>	<u>727,680,157</u>	<u>96,138,718</u>	<u>2,370,054,512</u>	<u>14,052,132,615</u>	<u>18,408,287,285</u>
January 1, 2024						
(As Restated – see Note 2.1)						
Costs	1,353,024,478	912,472,958	121,565,022	2,682,185,384	12,628,317,686	17,697,565,528
Accumulated depreciation	(147,637,420)	(157,211,650)	(19,774,721)	-	-	(324,623,791)
Carrying amount	<u>1,205,387,058</u>	<u>755,261,308</u>	<u>101,790,301</u>	<u>2,682,185,384</u>	<u>12,628,317,686</u>	<u>17,372,941,737</u>

A reconciliation of the carrying amounts of investment properties at the beginning and end of years 2025, 2024 and 2023 is as follows:

<i>(Amounts in PHP)</i>	<u>Retail Building</u>	<u>Condominium Units</u>	<u>Parking Units</u>	<u>Land</u>	<u>Constructions in Progress</u>	<u>Total</u>
Balance at January 1, 2025, net of accumulated depreciation	1,162,281,283	727,680,157	96,138,718	2,370,054,512	14,052,132,615	18,408,287,285
Additions	-	-	-	15,000,000	3,798,654,601	3,813,654,601
Addition through step acquisition (see Note 10.3)	-	-	-	-	21,653,896	21,653,896
Reclassifications of completed projects	909,225,209	-	347,864,372	-	(1,257,089,581)	-
Reclassifications to other accounts	-	(9,682,090)	-	-	(76,232,243)	(85,914,333)
Disposals	(10,133,276)	(90,093,111)	-	(305,212,876)	(623,669,474)	(1,029,108,737)
Depreciation during the year	(48,238,107)	(37,823,889)	(16,501,411)	-	-	(102,563,407)
Balance at December 31, 2025, net of accumulated depreciation	<u>2,013,135,109</u>	<u>590,081,067</u>	<u>427,501,679</u>	<u>2,079,841,636</u>	<u>15,915,449,814</u>	<u>21,026,009,305</u>
Balance at January 1, 2024, net of accumulated depreciation	1,205,387,058	755,261,308	101,790,301	2,682,185,384	12,628,317,686	17,372,941,737
Additions (As Restated – see Note 2.1)	-	-	-	166,470,150	1,423,998,037	1,590,468,187
Reclassifications to other accounts (As Restated – see Note 2.1)	(6,525,624)	-	(1,948,652)	-	(183,108)	(8,657,384)
Disposal	-	-	-	(478,601,022)	-	(478,601,022)
Depreciation during the year	(36,580,151)	(27,581,151)	(3,702,931)	-	-	(67,864,233)
Balance at December 31, 2024, net of accumulated depreciation (As Restated – see Note 2.1)	<u>1,162,281,283</u>	<u>727,680,157</u>	<u>96,138,718</u>	<u>2,370,054,512</u>	<u>14,052,132,615</u>	<u>18,408,287,285</u>
Balance at January 1, 2023, net of accumulated depreciation	1,213,918,791	783,200,791	108,394,014	2,682,185,384	12,155,740,814	16,943,439,794
Additions (As Restated – see Note 2.1)	-	-	-	-	884,256,241	884,256,241
Reclassifications of completed projects	40,991,198	2,386,907	-	-	(43,378,105)	-
Reclassifications to other accounts (As Restated – see Note 2.1)	-	-	(502,646)	-	(368,301,264)	(368,803,910)
Depreciation during the year	(49,522,931)	(30,326,390)	(6,101,067)	-	-	(85,950,388)
Balance at December 31, 2023, net of accumulated depreciation (As Restated – see Note 2.1)	<u>1,205,387,058</u>	<u>755,261,308</u>	<u>101,790,301</u>	<u>2,682,185,384</u>	<u>12,628,317,686</u>	<u>17,372,941,737</u>

In 2025 and 2024, the Group sold certain investment properties with carrying amount of P1,029,108,737 and P478,601,022, respectively, for a total consideration of P2,834,743,566 and P878,045,491, respectively (see Notes 26.3 and 26.4). The gain on sale amounting to P1,805,634,829 in 2025 and P399,444,469 in 2024 is presented as Gain on sale of investment properties under Other Operating Income in the consolidated statements of profit or loss (see Note 21.1). Cash collections amounting to P1,799,127,261 in 2025 and P40,378,657 in 2024 were received from these sales, including collections in 2025 relating to investment properties sold in prior years. The outstanding balance from these sales amounted to P1,873,283,139 and P837,666,834 at the end of 2025 and 2024, respectively, and is presented as part of Contract receivables under Receivables in the consolidated statements of financial position (see Note 6).

In 2025, the Group reclassified certain investment properties with aggregate carrying amount of P9,682,090 to real estate inventories (see Note 7) and P76,232,243 to property and equipment (see Note 11). In 2024, the Group reclassified certain investment properties with aggregate carrying amount of P8,344,884 to real estate inventories (see Note 7) and P312,500 to property and equipment (see Note 11). In 2023, the Group reclassified certain investment properties with aggregate carrying amount of P368,301,264 to real estate inventories (see Note 7) and P502,646 to property and equipment (see Note 11). Reclassifications to real estate inventories were made when there was an evidenced change in the use of the properties from earning rentals or capital appreciation to being held for sale in the ordinary course of business. The changes are evidenced by modifications in business and development plans, securing necessary government permits, commencement of marketing activities to sell the properties, and obtaining reservations from customers. On the other hand, for properties reclassified to property and equipment, the Group determined that these assets were no longer intended to be leased or held for capital appreciation. Instead, they are now designated for use in the Group's operations, as evidenced by their integration into the Group's business plans and operational activities.

Borrowing costs that are capitalized as part of investment property amounted to P994,498,830, P824,809,779 and P344,938,772 in 2025, 2024 and 2023, respectively, which represents the allocated borrowing costs incurred on loans, corporate notes and bonds obtained to fund the construction projects (see Notes 15 and 16).

Income and expenses from investment properties in 2025, 2024 and 2023 are presented below.

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Rental income:	18.1			
Retail building		160,966,757	115,470,199	93,550,383
Condominium units		48,718,647	41,014,666	12,631,070
Parking units		6,020,242	5,195,669	2,257,520
Others		10,846,509	731,659	3,904,883
		<u>226,552,155</u>	<u>162,412,193</u>	<u>112,343,856</u>
Cost of rental services:	19			
Depreciation		90,860,822	67,864,233	85,950,388
Others		-	-	771,352
		<u>90,860,822</u>	<u>67,864,233</u>	<u>86,721,740</u>

The depreciation and other expenses are included as part of Cost of Sales and Services in the consolidated statements of profit or loss in 2025, 2024 and 2023 (see Note 19).

Investment properties have a total fair value of P23,487,867,829 and P22,139,376,787 as at December 31, 2025 and 2024, respectively, based on the appraisal done by an independent expert [see Note 32.3(c)]. On the basis primarily of the foregoing valuations, management has assessed that no impairment loss is required to be provided on the Group's investment properties as at December 31, 2025 and 2024 [see also Note 3.2(g)].

Investment properties with a total carrying amount of P11,637,470,164 and P8,953,443,666 as at December 31, 2025 and 2024, respectively, are used as collateral for certain interest-bearing loans and borrowings of the Parent Company (see Note 15.1).

14. OTHER NON-CURRENT ASSETS

This account includes the following:

<i>(Amounts in PHP)</i>	Note	2025	2024
Deferred commissions	18.3	1,019,513,350	1,443,535,690
Advances to subcontractors		315,215,329	521,781,528
Refundable deposits		205,268,395	162,843,330
Computer software - net		15,001,011	21,390,595
Others		10,354,003	10,354,003
		<u>1,565,352,088</u>	<u>2,159,905,146</u>

Advances to subcontractors include advance payments for materials, payment of labor and overhead expenses for on-going construction of investment properties. These are applied against the progress billings of subcontractors.

Refundable deposits pertain to recoverable payments, which are expected to be realized at the termination of the contract, to lessors and various payees. These are measured at amortized cost.

The gross carrying amounts and accumulated amortization of Computer software at the beginning and end of 2025 and 2024 are shown below.

<i>(Amounts in PHP)</i>	2025	2024
Cost	68,705,679	68,705,679
Accumulated amortization	<u>(53,704,668)</u>	<u>(47,315,084)</u>
Carrying amount	<u>15,001,011</u>	<u>21,390,595</u>

The total additions to computer software amounted P3,446,947 and P1,914,986 in 2024 and 2023, respectively. There was no similar transaction in 2025.

The amortization expense on the computer software amounted to P6,389,584, P7,371,344 and P7,962,055 in 2025, 2024 and 2023, respectively, and is presented as part of Depreciation and amortization under Operating Expenses (see Note 20).

15. INTEREST-BEARING LOANS AND BORROWINGS

The outstanding balance of interest-bearing loans and corporate notes are presented in the consolidated statements of financial position as follows:

<i>(Amounts in PHP)</i>	Note	2025	2024
Current:			
Bank loans	15.1	5,835,061,916	7,577,912,966
Corporate notes	15.2	962,499,999	2,537,500,000
		<u>6,797,561,915</u>	<u>10,115,412,966</u>
Non-current:			
Bank loans	15.1	31,512,615,657	27,299,331,139
Corporate notes	15.2	8,463,617,639	7,237,335,826
		<u>39,976,233,296</u>	<u>34,536,666,965</u>
		<u>46,773,795,211</u>	<u>44,652,079,931</u>

The accrued interest on these loans amounts to P352,521,771 and P338,604,909 as at December 31, 2025 and 2024, respectively, and is presented as part of Accrued expenses under the Trade and Other Payables account in the consolidated statements of financial position (see Note 17).

15.1 Bank Loans

An analysis of the movements in the balance of interest-bearing loans is presented below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	34,877,244,105	30,947,135,232
Net proceeds from issuance	27,726,936,137	17,475,143,091
Repayments	(25,344,403,014)	(13,670,498,387)
Amortization of debt issue costs	87,900,345	125,464,169
Balance at end of year	<u>37,347,677,573</u>	<u>34,877,244,105</u>

A reconciliation of the unamortized debt issue cost at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	150,494,327	163,081,681
Debt issue costs from new loans	33,882,550	112,876,813
Amortization of debt issue cost	(87,900,345)	(125,464,169)
Balance at end of the year	<u>96,476,532</u>	<u>150,494,325</u>

The loans bear interest rates per annum ranging from 5.00% to 9.25% in 2025, from 5.50% to 9.50% in 2024, and from 5.00% to 8.00% in 2023. Certain loans are collateralized by the specific projects and developments for which the loans were obtained. The carrying amount of such projects aggregating to P29,848,813,691 and P25,749,272,420 as at December 31, 2025 and 2024, respectively, are included in the Real Estate Inventories, Property and Equipment and Investment Properties accounts in the consolidated statements of financial position (see Notes 7, 11 and 13).

Per loan covenants, the Group is required to maintain the specifically defined consolidated financial ratios with respect to (a) maximum debt to equity ratio of 2.5:1; (b) minimum current ratio of 1:1; (c) minimum debt service coverage ratio (DSCR) of 1:1 and, (d) minimum interest coverage ratio of 3:1. In addition, certain subsidiaries are required to maintain a minimum DSCR of 1.3:1, as defined under their respective loan agreements. Consistent with the terms of the Group's loan agreements, covenant compliance is measured based on the most recently available audited financial statements within the reporting timelines prescribed in the agreements. As at December 31, 2025 and 2024, the Group is compliant with the applicable covenant requirements.

The total interest incurred from the foregoing loans, including amortization of debt issuance cost, amounted to P3,150,495,198, P2,801,194,904 and P2,352,726,695 in 2025, 2024 and 2023, respectively, and of which P1,277,704,309, P1,067,009,343 and P577,853,395 were capitalized as part of investment properties and property and equipment in 2025, 2024 and 2023, respectively (see Notes 11 and 13). The remaining interest was recognized as part of Finance Costs in 2025, 2024 and 2023 (see Note 22). The capitalization rate used in determining the amount of interest charges qualified for capitalization ranges from 5.50% to 8.75%, from 5.00% to 9.50%, and from 5.00% to 8.00% in 2025, 2024 and 2023, respectively.

15.2 Corporate Notes

The Parent Company and various financial institutions executed a Notes Facility Agreement (NFA) for the issuance of Long-Term Corporate Notes (LTCN) totaling P13,000,000,000 and Sustainability-Linked Notes (SLN) totaling P3,000,000,000.

The NFA is composed of the following tranches:

NFA	Date Executed	Tranche	Tenor	Principal Amounts in PHP
LTCN	07/20/2018	Series A	Seven years	2,500,000,000
		Series B	Ten years	1,000,000,000
		Series C	Ten years with repricing on the interest rate re-setting date	
				1,500,000,000
	03/05/2020	Series D	Five years	1,300,000,000
		Series E	Seven years	5,700,000,000
		Series F	Ten years	1,000,000,000
SLN	08/06/2025	Series G	Seven years	850,000,000
		Series H	Ten years	2,150,000,000
				16,000,000,000

The Parent Company made the following drawdowns from the NFA.

Year	Tranche	Interest Rate	Maturity Dates	Amounts in PHP
2025	Series G	6.87% - 6.95%	August - September 2032	850,000,000
	Series H	7.30% - 7.37%	August - September 2035	2,150,000,000
				<u>3,000,000,000</u>
2020	Series D	3.46%	September 2025	1,300,000,000
	Series E	3.54% - 4.66%	April 2027	5,700,000,000
	Series F	4.23% - 5.23%	March 2030	1,000,000,000
				<u>8,000,000,000</u>
2019	Series A	7.25%	January 2026	<u>2,000,000,000</u>
2018	Series A	7.25%	December 2025	500,000,000
	Series B	6.63%	August - September 2028	1,000,000,000
	Series C	6.75%	October - December 2028	1,500,000,000
				<u>3,000,000,000</u>

The SLN series carries a step-up feature wherein the applicable interest rate increases by 0.075% for every occurrence of a Trigger Event. A Trigger Event arises when a Sustainability Performance Target (SPT) is not met on the relevant observation date. The SPT are as follows:

- Short-term SPT: Construct 8,500 new Affordable Housing units by February 2027
- Medium-term SPT: Construct 16,000 new Affordable Housing units by February 2029

An analysis of the movements in the balance of corporate notes is presented below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	9,774,835,826	11,241,710,504
Net proceeds from issuance	2,964,542,666	-
Repayments	(3,337,500,000)	(1,491,666,667)
Amortization of debt issue cost	24,239,146	24,791,989
Balance at end of the year	<u>9,426,117,638</u>	<u>9,774,835,826</u>

A reconciliation of the unamortized debt issue cost at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	52,842,745	77,634,734
Debt issue costs from new notes	35,457,334	-
Amortization of debt issue costs	(24,239,146)	(24,791,989)
Balance at end of the year	<u>64,060,933</u>	<u>52,842,745</u>

The total interest incurred related to the NFA, including amortization of debt issuance cost, amounted to P596,030,974, P606,939,694 and P667,255,268 in 2025, 2024 and 2023, respectively, of which P392,194,811, P369,697,770 and P236,252,622 was capitalized as part of property and equipment and investment properties in 2025, 2024 and 2023, respectively (see Notes 11 and 13). The remaining interest was recognized as part of Finance Costs in 2025, 2024 and 2023 (see Note 22). The capitalization rate used in determining the amount of interest charges qualified for capitalization ranges from 3.46% to 7.25% in 2025, from 5.00% to 9.50% in 2024, and from 5.00% to 8.00% in 2023.

The Group is required to maintain the specifically defined financial ratios with respect to (a) maximum debt to equity ratio of 2.5:1; (b) minimum current ratio of 1:1; and, (c) minimum interest coverage ratio of 3:1. As at December 31, 2025 and 2024, the Group is compliant with the requirements.

16. BONDS PAYABLE

The outstanding balance of bonds payable are presented in the consolidated statements of financial position as follows:

<i>(Amounts in PHP)</i>	2025	2024
Current	2,763,194,048	-
Non-current	11,111,294,563	4,964,768,926
	<u>13,874,488,611</u>	<u>4,964,768,926</u>

On September 23, 2022, CLI registered with the SEC its debt securities program of P15,000,000,000 fixed-rate bonds, to be offered in one or more tranches within three years. The breakdown of the bonds payable, together with their respective terms and conditions, is presented below.

Tranche / Series	Type	Tenor	Issue Date	Due Date	Coupon Rate	Principal Amount
1st Tranche						
Series A	Fixed-rate	3.5 years	October 7, 2022	April 7, 2026	6.4222%	2,766,260,000
Series B	Fixed-rate	5.5 years	October 7, 2022	April 7, 2028	6.9884%	1,243,670,000
Series C	Fixed-rate	7 years	October 7, 2022	October 7, 2029	7.3649%	990,070,000
						<u>5,000,000,000</u>
2nd Tranche						
Series D	SLB	3 years	March 21, 2025	March 21, 2028	6.6348%	2,852,600,000
Series E	SLB	3.5 years	March 21, 2025	March 21, 2030	6.9157%	2,147,400,000
						<u>5,000,000,000</u>
3rd Tranche						
Series F	SLB	4 years	December 5, 2025	December 5, 2029	6.5408%	2,187,080,000
Series G	SLB	7 years	December 5, 2025	December 5, 2032	6.6807%	602,810,000
Series H	SLB	10 years	December 5, 2025	December 5, 2035	6.9572%	1,215,300,000
						<u>4,005,190,000</u>
						<u>14,005,190,000</u>

All Series Bonds were listed with the Philippine Dealing & Exchange Corp. (PDEx) and have been rated “PRS Aa plus” with a stable outlook by PhilRatings.

The Sustainability-Linked Bonds (SLB) series carries a step-up feature wherein the applicable interest rate increases by 0.075% for every occurrence of a Trigger Event. A Trigger Event arises when a SPT is not met on the relevant observation date. The SPT are as follows:

- Short-term SPT: Construct 8,500 new Affordable Housing units by February 2027
- Medium-term SPT: Construct 16,000 new Affordable Housing units by February 2029

An analysis of the movements in the balance of bonds payable is presented below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	4,964,768,926	4,947,822,521
Net proceeds from issuance	8,876,780,500	-
Amortization of debt issue costs	32,939,185	16,946,405
Balance at end of year	13,874,488,611	4,964,768,926

A reconciliation of the unamortized debt issue cost at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	35,231,074	52,177,479
Debt issue costs from new bonds	128,409,500	-
Amortization of debt issue costs	(32,939,185)	(16,946,405)
Balance at end of the year	130,701,389	35,231,074

The total interest incurred related to the bonds, including amortization of debt issue costs, amounted to P651,536,118, P352,556,540 and P169,831,589 in 2025, 2024 and 2023, respectively, of which P498,746,856, P221,182,117 and P102,974,721 was capitalized as part of property and equipment and investment properties in 2025, 2024 and 2023, respectively (see Notes 11 and 13). The remaining interest was recognized as part of Finance Costs in 2025, 2024 and 2023 (see Note 22). The capitalization rate used in determining the amount of interest charges qualified for capitalization ranges from 6.42% to 7.36% in 2025, from 6.42% to 7.36% in 2024, and from 6.89% to 7.64% in 2023.

The Group is required to maintain the financial ratios with respect to: (a) maximum debt to equity ratio of 2.5:1; (b) minimum current ratio of 1:1; and, (c) minimum interest coverage ratio of 3:1. As at December 31, 2025 and 2024, the Group is compliant with the requirements.

17. TRADE AND OTHER PAYABLES

The trade and other payables are composed of the following:

<i>(Amounts in PHP)</i>	Notes	2025	2024
Current:			
Unbilled construction costs		14,071,158,248	10,217,417,458
Trade payables		6,161,191,185	4,528,283,824
Sales commissions payable		4,610,338,653	4,074,237,298
Redeemable preferred shares	9	1,593,000,000	-
Retention payable		1,375,697,872	1,012,505,883
Accrued expenses	15	570,807,565	338,604,909
Dividends payable	27.6	339,406,706	339,406,706
Government-related obligations		105,207,518	56,138,657
Output VAT		98,483,259	49,127,314
Other payables		826,682,548	436,423,430
		<u>29,751,973,554</u>	<u>21,052,145,479</u>
Non-current			
Retention payable		479,428,609	479,428,609
Advance rental		69,132,246	46,444,768
Other payables		18,234,812	14,416,002
		<u>566,795,667</u>	<u>540,289,379</u>
		<u>30,318,769,221</u>	<u>21,592,434,858</u>

Unbilled construction costs pertain to estimated obligations to contractors for services already performed but not yet billed to the Group.

Trade payables mainly represent outstanding obligations to owners of parcels of land acquired, subcontractors and suppliers of construction materials.

Redeemable preferred shares pertain to NTTUDA's subscription to redeemable preferred shares of CLVI amounting to P1,593,000,000. The proceeds from the subscription were intended to partially finance the acquisition of a property to be classified as real estate inventory. Under the terms of the agreement, CLVI is contractually required to redeem all the shares on December 31, 2025 at the same price of P2,000 per share. Accordingly, the redeemable preferred shares are classified as a financial liability, as CLVI has a contractual obligation to redeem the shares on a specified date and at a predetermined amount [see Note 3.1(n)]. As at December 31, 2025, the redeemable shares remain outstanding pending customary regulatory approvals from the appropriate authorities (see Note 30.1).

Retention payable pertains to amount withheld from payments made to contractors to ensure compliance and completion of contracted projects equivalent to 10% of every billing made by the contractor. Portion of the amount retained that is not expected to be paid within 12 months from the end of the reporting period is presented as part of non-current liabilities in the consolidated statements of financial position.

Accrued expenses pertain to accruals for interest, contracted services, security services, professional fees and other recurring accruals in the Group's operations.

Other payables are mostly construction bonds from various subcontractors.

18. REVENUE FROM CONTRACTS WITH CUSTOMERS AND CONTRACT BALANCES

18.1 Disaggregation of Contract Revenues

The Group derives revenue from the transfer of goods and services over time and at a point in time. Presented below are revenues from its major product lines and geographical areas for the years ended December 31, 2025, 2024 and 2023.

<i>(Amounts in PHP)</i>	<u>Cebu</u>	<u>Visayas</u>	<u>Mindanao</u>	<u>Luzon</u>	<u>Total</u>
2025					
<i>Sale of real estates</i>					
Over time	5,566,705,774	2,675,525,862	6,175,816,418	1,395,326,000	15,813,374,054
At a point in time	<u>1,062,161,205</u>	<u>341,223,000</u>	<u>562,426,120</u>	<u>3,390,000</u>	<u>1,969,200,325</u>
	6,628,866,979	3,016,748,862	6,738,242,538	1,398,716,000	17,782,574,379
<i>Hotel operations</i>					
Over time	243,206,440	187,668,299	-	-	430,874,739
<i>Lease of properties</i>					
Over time	207,172,525	-	19,379,630	-	226,552,155
<i>Rendering of management services</i>					
Over time	<u>60,447,706</u>	<u>4,870,794</u>	<u>12,108,629</u>	<u>-</u>	<u>77,427,129</u>
	<u>7,139,693,650</u>	<u>3,209,287,955</u>	<u>6,769,730,797</u>	<u>1,398,716,000</u>	<u>18,517,428,402</u>
2024 [As Restated – see Note 2.1(b)(ii)]					
<i>Sale of real estates</i>					
Over time	5,461,915,179	3,092,722,455	5,714,844,138	855,669,206	15,125,150,978
At a point in time	<u>2,344,923,655</u>	<u>116,497,812</u>	<u>587,501,983</u>	<u>6,410,000</u>	<u>3,055,333,450</u>
	7,806,838,834	3,209,220,267	6,302,346,121	862,079,206	18,180,484,428
<i>Hotel operations</i>					
Over time	175,942,496	-	-	64,525,946	240,468,442
<i>Lease of properties</i>					
Over time	152,493,606	-	9,918,587	-	162,412,193
<i>Rendering of management services</i>					
Over time	<u>48,899,263</u>	<u>6,214,656</u>	<u>8,818,916</u>	<u>-</u>	<u>63,932,835</u>
	<u>8,184,174,199</u>	<u>3,215,434,923</u>	<u>6,321,083,624</u>	<u>926,605,152</u>	<u>18,647,297,898</u>
2023					
<i>Sale of real estates</i>					
Over time	7,054,772,604	4,249,501,336	2,444,419,631	544,680,899	14,293,374,470
At a point in time	<u>1,114,472,339</u>	<u>139,887,766</u>	<u>2,937,687,511</u>	<u>22,880,000</u>	<u>4,214,927,616</u>
	8,169,244,943	4,389,389,102	5,382,107,142	567,560,899	18,508,302,086
<i>Hotel operations</i>					
Over time	138,551,300	-	-	-	138,551,300
<i>Lease of properties</i>					
Over time	112,167,681	-	176,175	-	112,343,856
<i>Render of management services</i>					
Over time	<u>47,828,318</u>	<u>-</u>	<u>11,387,808</u>	<u>-</u>	<u>59,216,126</u>
	<u>8,467,792,242</u>	<u>4,389,389,102</u>	<u>5,393,671,125</u>	<u>567,560,899</u>	<u>18,818,413,368</u>

Sale of real estates include contracts with significant financing components in accordance with PFRS 15. The related interest income or interest expense is presented as Interest income from real estate sales in the consolidated statements of profit or loss.

18.2 Contract Balances

The Group's contract assets as at December 31, 2025 and 2024 are presented in the consolidated statements of the financial position as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current	17,104,926,866	20,843,159,851
Non-current	38,497,094,963	28,583,967,809
	<u>55,602,021,829</u>	<u>49,427,127,660</u>

A reconciliation of the opening and closing balance of Contract Assets is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	49,427,127,660	45,093,986,410
Performance of property development	14,602,824,765	12,851,971,742
Collections	(8,996,391,679)	(6,227,744,009)
Transfers to contract receivables	(1,431,974,072)	(4,126,136,303)
Accretion of interest income	2,000,435,155	1,835,049,820
Balance at end of year	<u>55,602,021,829</u>	<u>49,427,127,660</u>

The Group recognizes contract assets, due to timing difference of payment and satisfaction of performance obligation, to the extent of satisfied performance obligation on all open contracts as at the end of the reporting period. Its classification and presentation in the consolidated statements of financial position is based on the Group's estimate of project completion, hence, any change in estimated completion period affects transfers to contracts receivables.

The Group assesses an ECL when the contract assets are initially recognized and updates the assessment at each reporting date based on the analysis determined by management [see Note 31.2(c)].

A reconciliation of the opening and closing balance of Contract Liabilities is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	296,265,114	449,338,207
Revenue recognized that was included in contract liability at the beginning of year	(264,212,392)	(259,836,356)
Increase due to cash received excluding amount recognized as revenue during the year	296,663,677	36,444,509
Accretion of interest expense	16,317,989	70,318,754
Balance at end of year	<u>345,034,388</u>	<u>296,265,114</u>

Contract liabilities pertain to collections from buyers that are ahead of the stage of completion of the real estate units sold. Changes in the contract assets and contract liabilities are recognized by the Group when a right to receive payment is already established and upon performance of unsatisfied performance obligation, respectively.

Collections from buyers on sale of real estate units where the gating criteria for recognition of sales contract have yet to be met are accounted for and presented as Customers' Deposits in the consolidated statements of financial position. The balance of Customers' Deposits amounted to P130,665,228 and P90,223,203 as at December 31, 2025 and 2024, respectively.

18.3 Direct Contract Cost

The Group incurs sales commissions upon execution of contracts to sell real properties to customers. Incremental costs of commission incurred to obtain contracts are capitalized and presented as Deferred commission presented under Prepayments and Other Current Assets, and Other Non-current Assets accounts in the consolidated statements of financial position (see Notes 9 and 14). These are amortized over the expected construction period on the same basis as how the Group measures progress towards complete satisfaction of its performance obligation in its contracts. The total amount of amortization for 2025, 2024 and 2023 is presented as Commission under Operating Expenses (see Note 20).

The Group's deferred commissions are presented in the consolidated statements of financial position as follows:

<i>(Amounts in PHP)</i>	Notes	2025	2024
Current	9	2,314,807,424	1,457,932,918
Non-current	14	1,019,513,350	1,443,535,690
		<u>3,334,320,774</u>	<u>2,901,468,608</u>

The movements in balances of deferred commission in 2025 and 2024 is presented below (see Note 9 and 14):

<i>(Amounts in PHP)</i>	Note	2025	2024
Balance at beginning of year		2,901,468,608	2,691,973,451
Additional capitalized cost		1,386,374,409	1,331,190,977
Amortization for the year	20	<u>(953,522,243)</u>	<u>(1,121,695,820)</u>
Balance at end of year		<u>3,334,320,774</u>	<u>2,901,468,608</u>

18.4 Transaction Price Allocated to Unsatisfied Performance Obligations

The aggregate amount of transaction price allocated to partially or wholly unsatisfied contracts as at December 31, 2025 and 2024 is P19,351,891,686 and P15,358,739,134, respectively. As at December 31, 2025 and 2024, the Group expects to recognize revenue from unsatisfied contracts as follows:

<i>(Amounts in PHP)</i>	2025	2024
Within a year	10,870,732,993	11,573,123,607
More than one year to three years	8,323,549,487	3,785,615,527
More than three years	157,609,206	-
	<u>19,351,891,686</u>	<u>15,358,739,134</u>

19. COST OF SALES AND SERVICES

Components of costs of sales and services are analyzed below (see Note 20).

<i>(Amounts in PHP)</i>	Notes	2025	2024 (As Restated – see Note 2.1)	2023
Cost of real estate sales:				
Contracted services	20	6,934,602,681	6,258,740,881	6,721,682,679
Land	20	1,126,878,183	1,791,129,027	1,197,636,227
Other costs		493,091,819	556,586,714	310,747,305
		8,554,572,683	8,606,456,622	8,230,066,211
Cost of rental services:				
Depreciation		90,860,822	67,864,233	85,950,388
Others		-	-	771,352
	13	90,860,822	67,864,233	86,721,740
Cost of management services:				
Salaries and wages		76,370,728	43,189,532	31,404,255
Materials and supplies		-	-	250
		76,370,728	43,189,532	31,404,505
Cost of hotel operations:				
Salaries and wages		102,927,445	51,845,264	13,621,634
Materials and supplies		71,899,058	43,546,936	17,448,513
Utilities		55,684,087	23,083,633	6,836,731
Depreciation		8,761,477	-	-
Others		46,110,207	41,641,139	16,700,580
		285,382,274	160,116,972	54,607,458
		9,007,186,507	8,877,627,359	8,402,799,914

20. COSTS AND EXPENSES BY NATURE

Details of costs and expenses by nature are shown below.

<i>(Amounts in PHP)</i>	Notes	2025	2024 (As Restated – see Note 2.1)	2023
Contracted services	19	6,934,602,681	6,258,740,881	6,721,682,679
Land	19	1,126,878,183	1,791,129,027	1,197,636,227
Salaries and employee benefits	24.1	1,018,965,035	780,737,116	653,801,195
Commissions	18.3	953,522,243	1,121,695,820	1,098,413,229
Taxes and licenses		899,109,583	733,549,816	246,525,634
Depreciation and amortization	11, 12, 13, 14	293,585,990	175,519,160	186,911,151
Repairs and maintenance		227,110,730	64,037,638	75,373,439
Advertising		184,654,643	144,723,382	114,388,720
Utilities		164,620,122	119,953,548	73,905,428
Security services		132,896,121	75,490,555	46,363,199
Supplies		104,053,695	67,525,902	36,689,063
Insurance		77,468,440	52,054,986	41,993,315
Transportation and travel		65,664,677	53,814,116	39,391,380
Representation and entertainment		53,566,391	29,749,434	36,342,834
Rent	12.3, 29.2	43,981,252	40,332,666	38,696,975
Subscription and membership dues		43,235,984	27,226,686	18,002,477
Association dues		32,544,878	39,948,303	37,178,773
Professional and legal fees		26,039,237	34,972,909	27,865,251
Donations		25,351,000	11,714,249	27,231,797
Communications		16,649,330	14,832,431	8,338,820
Trainings and seminars		7,154,233	5,176,179	1,604,995
Management fee		5,275,142	11,992,873	14,633,689
Others		422,607,810	423,569,354	444,464,553
		12,859,537,400	12,078,487,031	11,187,434,823

These costs and expenses are classified in the consolidated statements of profit or loss as follows:

<i>(Amounts in PHP)</i>	Note	2025	2024 [As Restated – see Note 2.1 (b)(ii)]	2023
Cost of sales and services	19	9,007,186,507	8,877,627,359	8,402,799,914
Operating expenses		3,852,350,893	3,200,859,672	2,784,634,909
		12,859,537,400	12,078,487,031	11,187,434,823

21. OTHER OPERATING INCOME AND OTHER LOSSES

21.1 Other Operating Income

This account is composed of the following:

<i>(Amounts in PHP)</i>			2024	
	Note	2025	(As Restated – see Note 2.1)	2023
Gain on sale of investment properties	13	1,805,634,829	399,444,469	-
Administrative charges		155,435,844	190,972,411	159,551,234
Move-in fee income		77,602,966	104,692,210	19,520,069
Utilities charged to tenants		31,030,288	20,970,020	16,034,536
Documentation fee		30,103,437	27,473,215	30,657,165
Water service fee		28,240,926	35,768,815	16,337,568
Insurance claims		14,405,054	-	5,357,143
Sponsorships		9,716,518	10,736,915	14,056,920
Late payment penalties charged to customers		7,654,456	10,322,308	10,753,489
Referral incentive		6,626,982	2,289,300	1,396,796
Scrap sales		5,826,031	5,128,550	3,638,108
Foreign exchange gains		4,482,700	2,415,746	2,195,803
Reversal of payables		-	-	115,283,578
Others		46,682,746	41,400,360	15,997,370
		2,223,442,777	851,614,319	410,779,779

Move-in fee income pertains to excess fees charged to real estate buyers upon turn-over of their units over the cost of services to make the buyers' units habitable which include requisition of building insurance and fire extinguisher, processing of related taxes, utility connections and others.

Administrative charges include standard fees charged to the buyers and non-refundable portion of the buyers' payment upon withdrawal from sale.

Reversal of payables pertains to outstanding payables related to advances from buyers in excess of the paid transfer charges and move-in fees, which are not refunded to the buyers. It also includes outstanding payables from cancelled contracts with certain building contractors and suppliers, which the Group is no longer required to pay and income from the write-off of long-outstanding unidentified deposits.

21.2 Other Losses

This account is composed of the following:

<i>(Amounts in PHP)</i>	2025	2024	2023
Foreign exchange losses	7,474,812	3,943,489	3,338,765
Loss (gain) on sale of assets – net	2,837	(1,368,905)	17,410
Other losses	52,015,663	22,558,752	453,506
	59,493,312	25,133,336	3,809,681

Other losses mainly comprise expenses and charges arising from non-recurring events and transactions, including transaction costs related to equity and debt issuances and losses from calamity-related incidents.

22. FINANCE COSTS

This is composed of the following:

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Interest expense on:				
Interest-bearing loans and borrowings	15	2,076,627,052	1,971,427,485	2,205,875,946
Bonds	16	152,789,262	131,374,423	66,856,868
Lease liabilities	12.4	83,491,236	81,997,700	80,167,300
Post-employment defined benefit obligation	24.3	2,466,935	636,230	428,176
Day one loss, net of amortization	6	55,094,989	2,666,907	3,751,672
		<u>2,370,469,474</u>	<u>2,188,102,745</u>	<u>2,357,079,962</u>

Interest expense on loans and bonds are the portion not capitalized as part of property and equipment, and investment properties (see Notes 11 and 13).

23. FINANCE INCOME

This is composed of the following:

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Interest income on banks	5, 9	64,278,172	20,582,423	13,874,699
Others		59,981	3,452,981	1,108,707
		<u>64,338,153</u>	<u>24,035,404</u>	<u>14,983,406</u>

24. EMPLOYEE BENEFITS

24.1 Salaries and Employee Benefits

Expenses recognized for salaries and employee benefits are presented below.

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Short-term employee benefits		1,007,263,504	771,958,981	647,046,082
Post-employment defined benefit expense	24.3	10,323,916	7,408,472	4,639,127
Share options	24.2, 27.4	1,377,615	1,369,663	2,115,986
	20	<u>1,018,965,035</u>	<u>780,737,116</u>	<u>653,801,195</u>

24.2 Employee Share Option

Employee share option expense, included as part of Salaries and employee benefits expense under the Operating Expenses account in the consolidated statements of profit or loss, amounted to P1,377,615, P1,369,663 and P2,115,986 in 2025, 2024 and 2023, respectively (see Note 24.1), while the corresponding cumulative credit to Share Options Outstanding account is presented under the Equity section of the consolidated statements of financial position (see Note 27.4).

24.3 Post-Employment Benefit Plan

(a) Characteristics of the Defined Benefit Plan

The Group maintains a funded and non-contributory post-employment benefit plan that is being administered by a trustee bank that is legally separated from the Group. The trustee bank manages the fund in coordination with the Group's top management who acts in the best interest of the plan assets and is responsible for setting the investment policies. The post-employment plan covers all regular full-time employees.

The normal retirement age is 60 with a minimum of five years of credited service. The plan also provides for an early retirement at age 50 with a minimum of five years of credited service and late retirement after age 60, both subject to the approval of the Group's BOD. Normal retirement benefit is an amount equivalent to 50% of the final monthly covered compensation (average monthly basic salary during the last 12 months of credited service) for every year of credited service.

(b) Explanation of Amounts Presented in the Consolidated Financial Statements

Actuarial valuations are made annually to update the post-employment defined benefit costs and the amount of contributions. All amounts presented below and in the succeeding pages are based on the actuarial valuation reports obtained from an independent actuary in 2025 and 2024.

The amounts of post-employment defined benefit obligation recognized in the consolidated statements of financial position are determined as follows:

<i>(Amounts in PHP)</i>	2025	2024
Present value of the obligation	100,563,345	82,925,055
Fair value of plan assets	(40,953,182)	(42,615,660)
	59,610,163	40,309,395

The movements in the present value of the post-employment defined benefit obligation recognized in the books are presented below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	82,925,055	53,883,058
Current service cost	10,323,916	7,408,472
Interest cost	5,075,013	3,297,643
Benefits paid	(9,383,544)	(2,395,737)
Remeasurements – actuarial losses (gains) arising from:		
Changes in demographic assumptions	7,642,318	-
Experience adjustments	4,587,463	37,353,269
Changes in financial assumptions	(606,876)	(16,621,650)
Balance at end of year	100,563,345	82,925,055

The movements in the fair value of plan assets are presented below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	42,615,660	43,487,144
Contributions	5,800,836	-
Interest income	2,608,078	2,661,413
Benefits paid	(9,383,544)	(2,395,737)
Loss on plan assets (excluding amounts included in net interest expense)	(687,848)	(1,137,160)
Balance at end of year	40,953,182	42,615,660

The composition of the fair value of plan assets at the end of the reporting period by category and risk characteristics is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Unitized investment funds	40,461,536	33,367,846
Government securities	9,714,496	9,059,820
Receivables	146,205	131,176
Cash and cash equivalents	14,489	56,818
Benefit payments to be reimbursed	(9,383,544)	-
	40,953,182	42,615,660

The fair values of the above unitized investment funds and government debt securities are determined based on quoted market prices in active markets (classified as Level 1 of the fair value hierarchy).

Plan assets do not comprise any of the Group's own financial instruments or any of its assets occupied and/or used in its operations. The plan assets recognized gains in 2025, 2024, and 2023 amounting to P1,920,230, P1,524,253 and P1,933,149, respectively.

The components of amounts recognized in profit or loss and other comprehensive income in respect of the defined benefit post-employment plan are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Recognized in profit or loss</i>			
Current service cost - net	10,323,916	7,408,472	4,639,127
Net interest expense on defined benefit obligation	2,466,935	636,230	428,176
	<u>12,790,851</u>	<u>8,044,702</u>	<u>5,067,303</u>
<i>Recognized in other comprehensive income</i>			
Actuarial losses (gains) arising from changes in:			
Demographic assumptions	7,642,318	-	-
Experience adjustments	4,587,463	37,353,269	2,676,303
Financial assumptions	(606,876)	(16,621,650)	2,343,402
Loss on plan assets (excluding amounts included in net interest expense)	687,848	1,137,160	817,259
	<u>12,310,753</u>	<u>21,868,779</u>	<u>5,836,964</u>

The net interest expense is presented as part of Post-employment defined benefit obligation under Finance Costs in the statements of profit or loss (see Note 22).

Amounts recognized in other comprehensive loss were included within items that will not be reclassified subsequently to profit or loss.

In determining the amounts of the defined benefit post-employment obligation, the following significant actuarial assumptions were used:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Discount rates	6.22%	6.12%	6.12%
Salary increase rates	3%	3%	7%

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working lives of an individual retiring at the age of 60 is 25 years for both males and females. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of zero-coupon government bonds with terms to maturity approximating the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) *Risks Associated with the Retirement Plan*

The plan exposes the Group to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) *Investment and Interest Risks*

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Due to the long-term nature of the plan obligation, a level of continuing equity investments is an appropriate element of the Group's long-term strategy to manage the plan efficiently.

(ii) *Longevity and Salary Risks*

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) *Other Information*

The information on the sensitivity analysis for certain significant actuarial assumptions, the Group's asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the retirement plan are as follows:

(i) *Sensitivity Analysis*

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the post-employment defined benefit obligation:

<i>(Amounts in PHP)</i>	Impact on Post-employment Defined Benefit Obligation		
	Changes in Assumption	Increase in Assumption	Decrease in Assumption
December 31, 2025			
Discount rate	+/-1.0%	(5,625,062)	5,270,094
Salary increase rate	+/-1.0%	5,571,141	(6,136,449)
December 31, 2024			
Discount rate	+/-1.0%	(4,106,498)	3,165,843
Salary increase rate	+/-1.0%	3,450,146	(4,610,035)

In addition, assuming there are no attrition rates, the increase in post-employment defined benefit obligation would be P33,772,458 and P33,056,004 in 2025 and 2024, respectively.

The foregoing sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the consolidated statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

(ii) *Asset-Liability Matching Strategies*

To efficiently manage the retirement plan, the Group, through its Retirement Plan Committee, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the post-employment obligations by investing in long-term fixed interest securities (i.e., government or corporate bonds) with maturities that match the benefit payments as they fall due and in the appropriate currency. The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the post-employment obligations.

There has been no change in the Group's strategies to manage its risks from previous periods.

(iii) *Funding Arrangements and Expected Contributions*

The Group does not expect to make a contribution during the next reporting period.

The maturity profile of undiscounted expected benefit payments from the plan follows:

<i>(Amounts in PHP)</i>	2025	2024
Within one year	33,772,458	33,056,004
More than one year to five years	58,401,691	45,429,141
More than five years to ten years	435,148,314	351,181,103
	527,322,463	429,666,248

The weighted average duration of the defined benefit obligation at the end of the reporting period is 3.80 years.

25. CURRENT AND DEFERRED TAXES

The Group is registered with the Board of Investments (BOI) as a developer of various economic and low-cost housing projects. Accordingly, the Group enjoys an income tax holiday on the BOI-registered projects within three to four taxable years from its registration. The Group has four and eight registered projects with BOI as at December 31, 2025 and 2024, respectively.

The components of tax expense relating to profit or loss and other comprehensive income or loss are as shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Reported in profit or loss:</i>			
Current tax expense:			
Regular corporate income tax (RCIT) at 25%	642,001,054	478,839,161	264,650,963
Final income tax	19,627,426	1,920,312	2,792,636
Minimum corporate income tax (MCIT) at 1.5%	<u>-</u>	<u>-</u>	<u>1,385,046</u>
	661,628,480	480,759,473	268,828,645
Deferred tax expense arising from origination and reversal of temporary differences	<u>822,766,713</u>	<u>749,170,854</u>	<u>1,578,350,508</u>
	<u>1,484,395,193</u>	<u>1,229,930,327</u>	<u>1,847,179,153</u>
<i>Reported in other comprehensive income</i>			
Deferred tax income arising from origination and reversal of temporary differences	<u>(3,077,688)</u>	<u>(5,467,195)</u>	<u>(1,459,241)</u>

A reconciliation of tax on pretax profit computed at the applicable statutory rates to tax expense reported in the consolidated statements of profit or loss is presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Tax on pretax profit at 25%	1,378,484,242	1,306,944,826	1,420,712,288
Adjustments for income subject to lower tax rate	(4,498,031)	(3,163,712)	(593,661)
Tax effects of:			
Non-deductible expenses	65,187,777	-	439,115,169
Changes in unrecognized deferred tax assets	54,250,340	(7,188,440)	3,317,181
Tax-exempt real estate sales	(9,029,135)	(6,663,457)	(2,801,680)
Non-taxable income	<u>-</u>	<u>(59,998,890)</u>	<u>(12,570,144)</u>
Tax expense	<u>1,484,395,193</u>	<u>1,229,930,327</u>	<u>1,847,179,153</u>

The net deferred tax liabilities relate to the following as at December 31:

<i>(Amounts in PHP)</i>	2025	2024
Deferred tax liabilities:		
Difference between tax reporting base and financial reporting base used in sales recognition	7,284,558,326	6,340,105,970
Rental income	70,192,849	2,668,143
	<u>7,354,751,175</u>	<u>6,342,774,113</u>
Deferred tax assets:		
Sales commissions	(401,288,731)	(340,073,637)
Net operating loss carry-over (NOLCO)	(191,252,943)	(176,991,919)
Net lease liabilities	(163,600,981)	(59,947,624)
Post-employment defined benefit obligation	(8,759,609)	(4,215,674)
MCIT	(6,858,431)	(1,944,623)
Employee share options	(1,331,724)	(987,320)
Other	(8,982,505)	(5,626,090)
	<u>(782,074,924)</u>	<u>(589,786,887)</u>
	<u>6,572,676,251</u>	<u>5,752,987,226</u>

The components of deferred tax expense (income) are as follows:

<i>(Amounts in PHP)</i>	2025	2024	2023
<i>Reported in profit or loss:</i>			
Deferred tax liabilities:			
Difference between tax reporting base and financial reporting base used in sales recognition	944,452,356	926,097,567	1,702,678,467
Rental income	67,524,706	10,814,511	10,134,002
Deferred tax assets:			
Net lease liabilities	(103,626,357)	(13,500,384)	(13,573,240)
Sales commissions	(61,215,094)	(60,368,757)	(85,380,528)
NOLCO	(14,534,024)	(111,228,584)	(29,820,842)
MCIT	(4,913,808)	(1,014,165)	(934,875)
Post-employment defined benefit obligation	(1,220,247)	(508,484)	413,731
Employee share options	(344,404)	(342,415)	(644,905)
Others	(3,356,415)	(777,604)	(4,349,323)
	<u>822,766,713</u>	<u>749,170,854</u>	<u>1,578,350,508</u>
<i>Reported in other comprehensive income –</i>			
Post-employment defined benefit obligation	<u>(3,077,688)</u>	<u>(5,467,195)</u>	<u>(1,459,241)</u>

NOLCO can be claimed as deduction from future taxable income within three years from the year the taxable loss was incurred.

<u>Inception Year</u>	<u>Amount in PHP</u>	<u>Utilized in PHP</u>	<u>Balance in PHP</u>	<u>Expiry Year</u>
2025	303,917,301	-	303,917,301	2028
2024	210,033,296	(50,513,275)	159,520,021	2027
2023	272,446,445	(64,500,859)	207,945,586	2026
2022	31,056,053	(31,056,053)	-	
	<u>817,453,095</u>	<u>(146,070,187)</u>	<u>671,382,908</u>	

The Group has deferred tax assets related to NOLCO of P75,598,478 and P13,593 as at December 31, 2025 and 2024, respectively, which were not recognized because the

subsidiaries to which such are attributable may not be able to generate enough taxable profit yet within the validity period of NOLCO for the assets to be recovered. As at December 31, 2025, only the CCPH, ELCAMINO, YES, YHES, CHDI, CBLRVI, GGTT, SPE and CLITE are subject to MCIT, which is computed at 2% of gross income net of allowable deductions, as defined under the tax regulations or to RCIT, whichever is higher. Other components of the Group are not yet subject to MCIT as those have not operated beyond four taxable years. The Group reported MCIT amounting to P14,751,054, P5,660,123 and P1,385,046 in 2025, 2024 and 2023, respectively.

The Group opted to treat the capitalized borrowing costs as capital expenditure in accordance with Section 34(b) of the NIRC; hence, there are no deferred taxes related to the transaction. Furthermore, it opted to claim itemized deductions in computing its income tax due for the years ended December 31, 2025, 2024 and 2023.

26. RELATED PARTY TRANSACTIONS

The Group's related parties include its ultimate parent company, entities under common ownership, associates, shareholders, the Group's key management personnel, and its retirement fund. A summary of the Group's transactions and outstanding balances with related parties is presented below.

(Amounts in PHP)	Note	Amount of Transaction			Outstanding Balance	
		2025	2024	2023	2025	2024
Ultimate Parent Company						
Sale of investment properties	26.3	587,907,786	854,062,500	-	1,397,637,514	837,666,834
Sale of condominium units	26.3	534,932,583	-	4,363,528	524,120,797	-
Cancellation of sales	26.3	-	-	79,849,031	-	-
Dividends paid	26.2	413,207,837	411,996,617	411,996,617	-	-
Entities under Common Ownership						
Advances (collections)	26.1	24,449,497	7,865,191	10,835,561	78,551,458	54,101,961
Associates and Joint Venture						
Real estate sales	26.5	-	2,044,110,637	-	-	246,068,950
Advances (collections)	26.1	519,273	(3,036,610)	1,958,865	(157,340)	(676,613)
Key Management Personnel						
Sale of investment properties	26.4	485,352,679	-	-	475,645,625	-
Sale of condominium units	26.4	818,605,241	10,769,427	-	799,350,563	-
Dividends paid	26.2	66,925,892	66,925,892	66,925,892	-	-
Compensation	26.6	187,685,851	128,936,642	209,130,536	-	-

Based on management's assessment, no impairment loss is required to be provided on the Group's receivables from related parties as at December 31, 2025 and 2024. In respect of contract receivables and contract assets, it is fully secured by the units purchased, expected to be settled in cash and due based on the contract terms.

Details of the foregoing transactions are discussed in the succeeding pages.

26.1 Due from Related Parties

The Group grants cash advances to shareholders, entities under common ownership and associates. An analysis of such advances in 2025 and 2024 is presented below.

<i>(Amounts in PHP)</i>	Entities Under Common Ownership	Associates	Total
Balance at January 1, 2025	54,101,961	(676,613)	53,425,348
Additions	24,449,497	519,273	24,968,770
Balance at December 31, 2025	78,551,458	(157,340)	78,394,118
Balance at January 1, 2024	46,236,770	2,359,997	48,596,767
Additions (Repayments)	7,865,191	(3,036,610)	4,828,581
Balance at December 31, 2024	54,101,961	(676,613)	53,425,348

The outstanding balances from these transactions, which are collectible on demand, unsecured and noninterest-bearing, are presented as Due from Related Parties in the consolidated statements of financial position.

26.2 Cash Dividends

The amounts of cash dividends paid by the Company to the following related parties are as follow:

<i>(Amounts in PHP)</i>	2025	2024	2023
Ultimate Parent Company	413,207,837	411,996,617	411,996,617
Key Management Personnel	66,925,892	66,925,892	66,925,892
	480,133,729	478,922,509	478,922,509

The were no outstanding balances arising from these cash dividends as at December 31, 2025 and 2024.

26.3 Real Estate Sales to Ultimate Parent Company

In 2025 and 2024, CLI sold to ABS parcels of land under investment properties with carrying amount of P295,992,923 and P470,900,926, respectively, for P587,907,786 and P854,062,500, respectively (see Note 13). The transactions resulted in a gain amounting to P291,908,863 and P383,161,574, respectively, which are presented as part Gain on sale of investment properties under Other Operating Income in the consolidated statements of profit or loss (see Note 21.1).

As at December 31, 2025 and 2024, the outstanding balance from these transactions amounted to P1,397,637,514 and P837,666,834, respectively, and are noninterest-bearing, collectible in cash over a period of five years, under the terms similar to the sale of real estate properties to customers, and presented as part of Contract receivables under the Receivables account in the consolidated statements of financial position (see Note 6).

In 2025 and 2023, CLI sold condominium units to ABS amounting to P534,932,583 and P4,363,528, respectively. The outstanding balances related to these transactions are noninterest-bearing, collectible in cash over a period of five years under the terms similar to the sale of real estate properties to customers. As at December 31, 2025, the outstanding balance amounted to P524,120,797, which is presented as part of Contract Assets in the 2025 consolidated statement of financial position (Note 18.2). There were no outstanding balances or related sale transactions as at and for the year ended December 31, 2024.

Further in 2023, the Group cancelled the sale of a single floor at Baseline HQ made to ABS in December 2017.

26.4 Real Estate Sales to Key Management Personnel

In 2025, the Group sold to key management personnel a parcel of land classified as investment properties with carrying amount of P244,362,173 for P485,352,679 (see Note 13). The transaction resulted in gain of P240,990,506 which is presented as part of Gain on sale of investment properties under Other operating income in the consolidated statements of profit or loss (see Note 21.1).

In 2025 and 2024, CLI sold condominium units to key management personnel amounting to P818,605,241 and P10,769,427, respectively.

As at December 31, 2025, the outstanding balances from the land and condominium sales amounted to P475,645,625 and P421,211,088, respectively. The receivables are noninterest-bearing, collectible in cash over a period of five years, under the terms similar to the sale of real estate properties to customers, and are presented as part of Contract receivables under Receivables in the 2025 consolidated statement of financial position (see Note 6). The remaining outstanding balance from condominium sales amounting to P378,139,475 is presented as part of Contract Assets in the 2025 consolidated statement of financial position.

26.5 Real Estate Sales to Joint Venture

On April 10, 2024, CLI NUD (as a joint venture), acquired two parcels of land from El Camino amounting to P2,044,110,637. The outstanding balance related to the acquisition of land amounting to P246,068,950 is presented as part of Contract receivables under Receivables in the 2024 consolidated statement of financial position (see Note 6). In 2025, the outstanding receivable was fully settled prior to the step acquisition, and no similar transaction occurred during the year.

26.6 Key Management Personnel Compensation

The composition of key management personnel compensation for the years ended December 31, 2025, 2024 and 2023 is shown below.

<i>(Amounts in PHP)</i>	2025	2024	2023
Short-term benefits	184,450,036	101,282,775	159,664,014
Post-employment benefits	1,858,200	26,284,204	47,350,536
Share options	1,377,615	1,369,663	2,115,986
	<u>187,685,851</u>	<u>128,936,642</u>	<u>209,130,536</u>

26.7 Retirement Fund

CLI's retirement fund for its defined post-employment plan is administered and managed by a trustee bank. The fair value of plan assets in 2025 and 2024 consists of the contributions to the plan and interest earned (see Note 24.3). The plan assets do not comprise investment in any of the Group's own financial instruments or any of its assets occupied and/or used in its operations.

27. EQUITY

27.1 Capital Stock

Details of the Parent Company's authorized capital stock as at December 31, 2025 and 2024 are as follows:

	Shares		Amounts in PHP	
	2025	2024	2025	2024
Preferred shares				
Authorized				
Series A – P1.00 par value	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Series B – P0.10 par value	1,000,000,000	1,000,000,000	100,000,000	100,000,000
Total	<u>2,000,000,000</u>	<u>2,000,000,000</u>	<u>1,100,000,000</u>	<u>1,100,000,000</u>
Issued and outstanding:				
Issuance during the year:				
Preferred Shares – Series A-1 (CLIA1)	2,063,360	2,063,360	2,063,360	2,063,360
Preferred Shares – Series A-2 (CLIA2)	2,216,980	2,216,980	2,216,980	2,216,980
Balance at end of year	<u>4,280,340</u>	<u>4,280,340</u>	<u>4,280,340</u>	<u>4,280,340</u>
Common shares – P1.00 par value				
Authorized	9,000,000,000	9,000,000,000	9,000,000,000	9,000,000,000
Issued:				
Balance at beginning and end of year	3,623,451,997	3,623,451,997	3,623,451,997	3,623,451,997
Treasury shares	(158,250,530)	(158,250,530)	(732,664,604)	(732,664,604)
Issued and outstanding	<u>3,465,201,467</u>	<u>3,465,201,467</u>	<u>2,890,787,393</u>	<u>2,890,787,393</u>

On April 25, 2023, the BOD approved the amendment of the Articles of Incorporation (AOI) of CLI to reallocate the authorized capital stock of P10,100,000,000 to be divided as follows:

- (a) 9,000,000,000 common shares with a par value of P1 per share;
- (b) 1,000,000,000 Series A preferred shares with a par value of P1 per share; and,
- (c) 1,000,000,000 Series B preferred shares with a par value of P0.10 per share.

The amendment to the AOI was later approved by the stockholders on June 1, 2023. On October 18, 2023, the SEC officially accepted CLI's application for the amendment of its AOI, which was later approved on December 29, 2023.

On April 12, 2024, CLI issued and listed perpetual, cumulative, non-voting, non-participating, non-convertible and redeemable Philippine Peso denominated Series "A" Preferred Shares categorized and offered in two subseries (Series A-1 and Series A-2) on the main board of the PSE. Issue price for Series A-1 and A-2 is at P1,000. The additional paid-in capital resulting in the issuance amounted to P4,276,059,660 (see Note 27.2). The initial dividend rate of the shares shall be as follows: (a) in respect of the Series A-1 Preferred Shares, at fixed rate of 7.59% per annum of the Offer price, and (b) for the Series A-2 Preferred Shares, at the fixed rate of 8.25% per annum of the offer price. The BOD has full discretion over the declaration and payment of dividends, subject to conditions and to the extent allowed by law. Accordingly, the Group classified the preferred shares as equity securities, as such discretion allows the Group to defer principal and dividend payments indefinitely [see Note 3.1(n)]. There were no similar issuances in 2025 and 2023.

The share price of the Parent Company's common stock closed at P2.35 per share on December 26, 2025 and P2.65 per share on December 27, 2024, the last trading day in the PSE for 2025 and 2024 respectively.

The common stock of the Parent Company that is held under nominee accounts totaled 1,284,557,145 shares and 1,289,888,375 shares as at December 31, 2025 and 2024, respectively. This represents 35% of the Parent Company's outstanding shares as at December 31, 2025 and 2024, respectively.

The Parent Company has no other listed equity securities as at December 31, 2025 and 2024.

27.2 Additional Paid-in Capital

On June 2, 2017, the Parent Company made an initial public offering (IPO) of 430,000,000 unissued common shares at an offer price of P5 per share, which is equivalent to P2,150,000,000. Accordingly, the Parent Company recognized additional paid-in capital of P1,608,917,974 in the consolidated statements of financial position after deducting the related share issuance costs of P111,082,026.

On April 12, 2024, the Company issued and listed perpetual, cumulative, non-voting, non-participating, non-convertible and redeemable Philippine Peso denominated Series "A" Preferred Shares categorized and offered in two subseries (Series A-1 and Series A-2) on the main board of the PSE. Issue price for Series A-1 and A-2 is at P1,000. The additional paid-in capital resulting in the issuance amounted to P4,247,007,247 in the consolidated statements of financial position after deducting the related share issuance costs of P29,052,413.

27.3 Treasury Shares

On February 27, 2018, the BOD of the Parent Company approved a P250,000,000 budget for a share buy-back program and employee share option plan. On March 2022, qualified employees started exercising their share options (see Note 27.4).

On March 27, 2020, the BOD of the Parent Company approved an additional P500,000,000 stock buy-back program over the next two years.

In relation to this program, the Parent Company reacquired its common stock in 2021 and 2020, for P15,320,885 and P485,657,205, respectively, and presented them as Treasury Stock in the consolidated statements of financial position. No additional shares were reacquired in 2022.

In 2022, the Parent Company has reissued 3,349,470 shares of treasury shares as a result of exercise of the same number of share options (Note 27.4).

As at December 31, 2025 and 2024, the Group has a total of 158,250,530 treasury shares amounting to P732,664,604.

27.4 Employee Share Option

On October 6, 2021, the BOD of the Parent Company approved the Executive Share Option Plan (ESOP) for its qualified officers. The ESOP grants options to purchase the shares of the Parent Company at a price of P2.25 or current market price with a 15% discount, whichever is higher. Shares bought under the ESOP cannot be sold, assigned, or transferred in any manner for at least six months from the exercise date. Voting and dividend rights vest upon the issuance of the shares to the employees.

Pursuant to this ESOP, on January 5, 2022, the Parent Company granted share options to qualified officers to subscribe to 31,016,200 common shares of the Parent Company, with the following vesting period.

- The 1st 25% of the options granted can be exercised immediately upon the year of grant;
- The 2nd 25% of the options granted can be exercised one year after the options were granted;
- The 3rd 25% of the options granted can be exercised two years after the options were granted; and,
- The last 25% of the options granted can be exercised three years after the options were granted.

In 2022, a total of 3,349,470 share options were exercised at a price of P2.40 per share using the Parent Company treasury shares (see Note 27.3).

The fair value of the option granted was estimated using a variation of the Black-Scholes valuation model that takes into account factors specific to the ESOP. The following principal assumptions were used in the valuation:

Average option life	2.5 years
Average share price at grant date	P2.86
Average exercise price at grant date	P2.43
Average fair value at grant date	P0.15
Average standard deviation of share price returns	20.17%
Average dividend yield	14.95%
Average risk-free investment rate	2.59%

The underlying expected volatility was determined by reference to historical prices of the Parent Company's shares.

Share option benefits expense, which is included as part of Salaries and employee benefits under the Operating Expenses account, amounting to P1,377,615, P1,369,663 and P2,115,986 was recognized in 2025, 2024 and 2023, respectively (see Note 24.1), while the corresponding credit to Share Options Outstanding account is presented as part of Equity Attributable to Owners of the Parent Company under the Equity section of the consolidated statements of financial position.

27.5 Revaluation Reserves

The components and reconciliation of items of other comprehensive income (loss) presented in the consolidated statement of changes in equity at their aggregate amount under the Revaluation Reserves account are shown below.

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Balance at beginning of year		(34,689,808)	(18,288,224)	(13,910,501)
Other comprehensive loss:				
Loss on remeasurement of post-employment defined benefit obligation	24.3	(12,310,753)	(21,868,779)	(5,836,964)
Tax income (expense)	25	3,077,688	5,467,195	1,459,241
		(9,233,065)	(16,401,584)	(4,377,723)
Balance at end of year		(43,922,873)	(34,689,808)	(18,288,224)

27.6 Retained Earnings

(a) Cash Dividends

Date of Declaration	Record Date	Payment Date	Total Cash Dividends in PHP	Dividend Per Share in PHP
<u>2025</u>				
Common shares:				
March 17, 2025	April 11, 2025	April 16, 2025	519,780,220	0.15
March 17, 2025	April 11, 2025	April 16, 2025	103,956,045	0.03
			623,736,265	
Preferred shares (CLIA1):				
November 10, 2025	January 2, 2026	January 12, 2026	39,126,462	18.96
November 10, 2025	April 6, 2026	April 13, 2026	39,126,462	18.96
November 10, 2025	July 2, 2026	July 13, 2026	39,126,462	18.96
November 10, 2025	October 2, 2026	October 12, 2026	39,126,462	18.96
			156,505,848	
Preferred shares (CLIA2):				
November 10, 2025	January 2, 2026	January 12, 2026	45,725,213	20.63
November 10, 2025	April 6, 2026	April 13, 2026	45,725,213	20.63
November 10, 2025	July 2, 2026	July 13, 2026	45,725,213	20.63
November 10, 2025	October 2, 2026	October 12, 2026	45,725,213	20.63
			182,900,852	
			963,142,965	

Date of Declaration	Record Date	Payment Date	Total Cash Dividends in PHP	Dividend Per Share in PHP
<u>2024</u>				
Common shares:				
March 18, 2024	April 17, 2024	May 3, 2024	519,780,220	0.15
March 18, 2024	April 17, 2024	May 3, 2024	103,956,045	0.03
			<u>623,736,265</u>	
Preferred shares (CLIA1):				
June 14, 2024	July 2, 2024	July 12, 2024	39,126,462	18.96
June 14, 2024	October 2, 2024	October 12, 2024	39,126,462	18.96
November 21, 2024	January 2, 2025	January 12, 2025	39,126,462	18.96
November 21, 2024	April 2, 2025	April 12, 2025	39,126,462	18.96
November 21, 2024	July 2, 2025	July 12, 2025	39,126,462	18.96
November 21, 2024	October 2, 2025	October 12, 2025	39,126,462	18.96
			<u>234,758,772</u>	
Preferred shares (CLIA2):				
June 14, 2024	July 2, 2024	July 12, 2024	45,725,213	20.63
June 14, 2024	October 2, 2024	October 12, 2024	45,725,213	20.63
November 21, 2024	January 2, 2025	January 12, 2025	45,725,213	20.63
November 21, 2024	April 2, 2025	April 12, 2025	45,725,213	20.63
November 21, 2024	July 2, 2025	July 12, 2025	45,725,213	20.63
November 21, 2024	October 2, 2025	October 12, 2025	45,725,213	20.63
			<u>274,351,278</u>	
			<u>1,132,846,315</u>	
<u>2023</u>				
Common shares:				
March 20, 2023	April 18, 2023	April 28, 2023	519,780,220	0.15
March 20, 2023	April 18, 2023	April 28, 2023	103,956,044	0.03
			<u>623,736,264</u>	

The outstanding balance of unpaid dividends are presented as Dividends payable under Trade and Other Payables in the consolidated statements of financial position (see Note 17).

(b) *Appropriated Retained Earnings Releases*

On November 10, 2025, the Parent Company's BOD approved the appropriation of P3,236,320,375 from its retained earnings for the construction of various real estate projects and financing costs that the Parent Company expects to incur in 2026. On November 23, 2023, the Parent Company's BOD approved the appropriation of P6,324,658,043 from its retained earnings for the construction of various real estate projects. The real estate projects are expected to be completed from dates ranging from 2026 until 2030. There were no additional appropriations in 2024.

In 2025, 2024 and 2023, the Parent Company reversed certain appropriations made in previous years amounting to P1,693,661,345, P3,691,083,698 and P3,341,330,930, respectively, to unrestricted retained earnings after partial fulfillment of its intended purpose.

A portion of the Group's retained earnings, equivalent of the cost of treasury shares is legally restricted in accordance with Section 40 of the Revised Corporation Code.

27.7 Non-controlling Interests

The subsidiaries of the Group with significant NCI as at December 31, 2025, 2024 and 2023 are as follows:

<i>(Amounts in PHP)</i> Subsidiaries	NCI Ownership %			NCI Equity in Subsidiaries		
	2025	2024	2023	2025	2024	2023
YHEST	50%	50%	50%	4,869,847,679	4,718,648,818	4,299,554,192
CHDI	50%	50%	50%	913,811,545	1,775,597,220	1,548,403,514
El Camino	65%	65%	65%	2,598,519,983	1,050,993,312	1,086,949,888
YHES	50%	50%	50%	723,946,776	867,863,915	907,960,322
CBLRV	50%	50%	50%	442,335,971	527,272,087	416,435,594
GGTT	50%	50%	50%	89,463,642	417,651,149	393,007,824
CLI-LITE	12%	12%	12%	240,669,176	201,875,060	152,524,190
CCLI	50%	50%	50%	33,478,145	130,574,877	158,489,937
YES	50%	50%	50%	562,535,798	93,744,663	95,705,218
MDC	22%	22%	22%	87,968,821	79,727,650	79,728,192
MGR	55%	55%	55%	79,991,718	40,279,331	6,697,228
SPE	36%	36%	36%	79,501,358	40,218,586	46,960,280
BL Ventures	50%	50%	50%	25,433,229	16,096,350	28,437,150
CLI MAC	40%	-	-	148,163,103	-	-
CLI NUD	60%	-	-	1,419,876,083	-	-
				<u>12,315,543,027</u>	<u>9,960,543,018</u>	<u>9,220,853,529</u>

The analysis of the movement of NCI as at December 31, 2025, 2024 and 2023 are as follows:

<i>(Amounts in PHP)</i>	Note	2025	2024	2023
Balance at beginning of year		9,960,543,018	9,220,853,529	7,413,022,685
Consolidation through step acquisition	10.3	1,415,278,385	-	-
Share in net profit during the year		992,888,942	987,939,489	1,040,710,844
Dividends		(854,000,000)	(280,750,000)	(112,380,000)
New and additional investments		<u>800,812,680</u>	<u>32,500,000</u>	<u>879,500,000</u>
Balance at end of year		<u>12,315,523,025</u>	<u>9,960,543,018</u>	<u>9,220,853,529</u>

The new and additional investments came from the non-controlling shareholders of CHDI and CLI MAC in 2025, from the non-controlling shareholders of CHDI and CCLI in 2024, and from the non-controlling shareholders of CHDI, CCLI and SPE in 2023.

The dividends came from El Camino and YHEST in 2025, from El Camino, MGR, and YHEST in 2024, and from MGR, BL Ventures, and YES in 2023.

The summarized balance sheets of the subsidiaries with significant NCI before intragroup eliminations for the years ended December 31, 2025 and 2024 are shown below.

<i>(Amounts in PHP)</i>	Current Assets	Non-current Assets	Current Liabilities	Non-current Liabilities	Equity
December 31, 2025					
YHEST	9,251,300,992	5,277,302,638	2,942,163,789	1,851,094,041	9,735,345,800
CHDI	7,758,396,934	3,251,263,178	3,050,064,207	2,820,912,253	5,138,683,654
El Camino	1,359,086,143	1,018,048,407	675,255,718	283,772,228	1,418,106,604
YHES	3,314,689,060	2,520,387,781	2,488,432,831	1,898,051,399	1,448,592,611
CBLRV	438,177,737	2,591,273,744	1,115,400,385	813,293,783	1,125,067,193
GGTT	1,607,198,414	905,518,872	667,779,252	843,041,698	1,001,896,336
CCLI	226,119,060	1,848,853,146	630,830,785	1,351,488,840	132,652,580
CLI-LITE	784,817,941	3,067,900,461	1,135,373,546	791,991,453	1,925,353,403
YES	233,208,344	44,526,557	98,810,965	-	178,923,935
MDC	176,779,785	-	1,575,130	-	175,204,655
MGR	93,258,581	202,300	26,122,476	2,774,982	64,563,423
SPE	156,761,886	582,349,733	174,117,452	265,057,055	299,937,112
CLI MAC	211,684,232	-	430,469,00	-	211,253,763
CLI NUD	2,983,371,201	168,293,782	475,609,194	-	2,676,055,789
BL Ventures	199,292,952	552,326,895	277,707,710	313,992,098	159,920,041
December 31, 2024					
YHEST	4,732,875,684	7,526,450,603	1,923,555,773	1,511,908,831	8,823,861,685
CHDI	4,025,975,872	2,544,692,951	1,792,023,074	3,022,272,778	3,548,396,044
El Camino	2,970,173,020	2,471,313,142	2,031,699,394	3,706,095,671	1,735,390,490
YHES	2,172,378,675	889,089,830	739,751,539	1,444,015,716	1,617,452,787
CBLRV	1,788,464,918	469,522,086	753,914,883	541,198,195	962,873,924
GGTT	965,620,369	2,301,003,630	1,355,407,885	345,682,430	1,565,533,683
CCLI	603,683,420	1,899,456,744	813,842,484	1,451,164,980	1,051,975,182
CLI-LITE	307,643,860	1,691,584,432	470,572,541	1,268,538,161	260,117,587
YES	296,832,879	29,310,884	144,398,770	(5,744,336)	187,489,330
MDC	177,685,083	-	1,466,105	-	176,218,977
MGR	119,075,133	422,178	31,557,893	11,329,271	76,610,147
SPE	98,394,325	577,907,461	216,051,718	229,816,789	230,433,278
BL Ventures	105,216,916	646,681,970	557,268,270	719,732,931	32,165,956

The summarized comprehensive income of the subsidiaries with significant NCI before intragroup eliminations for the years ended December 31, 2025, 2024 and 2023 is shown below and in the succeeding page.

<i>(Amounts in PHP)</i>	Revenues	Net Profit (Loss)	Other Comprehensive Income
2025			
YHEST	2,599,081,829	1,789,481,711	-
YHES	77,484,917	(287,537,761)	-
CBLRV	340,281,526	70,525,117	-
CHDI	1,676,919,900	348,577,189	-
GGTT	276,142,333	48,026,974	-
CLI-LITE	910,538,028	310,380,662	-
BL Ventures	55,056,066	127,754,085	-
El Camino	259,264,376	(29,672,599)	-
YES	40,941,473	(8,565,394)	-
SPE	71,125,302	(29,737,886)	-
CCLI	190,304,652	(101,731,831)	-
MGR	7,049,444	10,751,527	-
MDC	-	1,014,313	-

<i>(Amounts in PHP)</i>	Revenues	Net Profit (Loss)	Other Comprehensive Income
2024			
YHEST	1,788,569,079	654,217,739	-
YHES	243,823,072	(96,593,439)	-
CBLRV	557,720,261	91,908,313	-
CHDI	1,312,596,286	220,013,607	-
GGTT	247,941,535	25,126,856	-
CLI-LITE	1,046,885,265	267,020,356	-
BL Ventures	69,102,098	7,206,943	-
El Camino	2,135,750,175	371,516,031	-
YES	125,087,974	43,715,007	-
SPE	20,019,996	(16,668,496)	-
CCLI	65,939,152	(49,144,695)	-
MGR	40,324,929	19,079,655	-
MDC	-	(2,419)	-
2023			
GGTT	2,865,787,323	970,928,006	-
YHEST	987,027,818	442,895,354	-
CHDI	954,184,151	337,425,572	-
YHES	1,012,029,844	289,473,924	-
YES	604,200,731	251,985,607	-
BL Ventures	637,386,548	223,486,648	-
SPE	50,452,086	(75,116,496)	-
El Camino	249,507,623	(59,490,369)	-
CBLRV	22,310,048	(32,352,014)	-
CCLI	-	(20,377,794)	-
CLI-LITE	-	(25,991,516)	-
MGR	61,948,129	4,477,353	-
MDC	-	(381,832)	-

The allocation of profit or loss between the Parent Company and NCI as follows:

<i>(Amounts in PHP)</i>	Parent Company's Shareholders	NCI	Net Profit
2025			
YHEST	901,198,861	901,198,861	1,802,397,722
YHES	(143,768,881)	(143,768,881)	(287,537,762)
CBLRV	35,263,711	35,263,711	70,527,422
CHDI	143,744,608	143,744,608	287,489,216
GGTT	23,601,073	23,601,073	47,202,146
CLI-LITE	271,558,809	38,794,116	310,352,925
BL Ventures	63,877,042	63,877,042	127,754,084
El Camino	(17,867,108)	(33,181,772)	(51,048,880)
YES	(4,282,697)	(4,282,697)	(8,565,394)
SPE	(26,285,062)	(14,785,350)	(41,070,412)
CCLI	(15,840,711)	(15,840,711)	(31,681,422)
MGR	(5,564,606)	(6,801,186)	(12,365,792)
MDC	(788,027)	(226,293)	(1,014,320)
CLI MAC	(1,909,341)	(1,272,894)	(3,182,235)
CLI NUD	1,935,729	142,450	2,078,179

<i>(Amounts in PHP)</i>	Parent Company's Shareholders	NCI	Net Profit
2024			
YHEST	327,108,870	327,108,870	654,217,740
YHES	(48,296,719)	(48,296,719)	(96,593,438)
CBLRV	45,954,156	45,954,156	91,908,312
CHDI	110,006,804	110,006,804	220,013,608
GGTT	12,563,428	12,563,428	25,126,856
CLI-LITE	233,642,811	33,377,544	267,020,355
BL Ventures	3,603,472	3,603,472	7,206,944
El Camino	130,030,611	241,485,420	371,516,031
YES	21,857,503	21,857,503	43,715,006
SPE	(10,667,837)	(6,000,659)	(16,668,496)
CCLI	(24,572,347)	(24,572,347)	(49,144,694)
MGR	8,585,845	10,493,810	19,079,655
MDC	(1,880)	(540)	(2,420)
2023			
YHEST	485,464,003	485,464,003	970,928,006
YHES	221,447,677	221,447,677	442,895,354
CBLRV	168,712,786	168,712,786	337,425,572
CHDI	144,736,962	144,736,962	289,473,924
GGTT	125,992,803	125,992,803	251,985,606
CLI-LITE	195,550,817	27,935,831	223,486,648
BL Ventures	(37,558,248)	(37,558,248)	(75,116,496)
El Camino	(19,071,629)	(35,418,740)	(54,490,369)
YES	(16,176,007)	(16,176,007)	(32,352,014)
SPE	(13,041,788)	(7,336,006)	(20,377,794)
CCLI	(12,995,758)	(12,995,758)	(25,991,516)
MGR	2,014,809	2,462,544	4,477,353
MDC	(302,509)	(85,323)	(387,832)

28. EARNINGS PER SHARE

EPS is computed as follows:

<i>(Amounts in PHP)</i>	2025	2024	2023
Net profit attributable to Parent	3,036,652,835	3,009,909,488	2,794,959,153
Preferred dividends – see Note 27.6	(339,406,700)	(509,110,050)	-
Income available to common stockholders	2,697,246,135	2,500,799,438	2,794,959,153
Divided by weighted average number of outstanding common shares	3,465,201,467	3,465,201,467	3,465,201,467
Basic and diluted EPS	0.78	0.72	0.81

The Parent Company granted share options to qualified officers (see Note 27.4).

Basic and diluted earnings per share for the years ended 2025, 2024, and 2023 are the same as the effects of potential common shares arising from employee share options are negligible for the periods presented.

In 2025, the outstanding share options had no dilutive effect as the average exercise price exceeded the average market price of the Parent Company's ordinary shares. In 2024 and 2023, the maximum potential increase in the weighted average number of outstanding ordinary shares from the assumed exercise of employee share options amounted to 1,878,555 shares and 10,876,872 shares, respectively; however, this did not result in any difference between basic and diluted earnings per share.

Aside from the employee share options, there were no instruments that could potentially dilute basic earnings per share in 2025, 2024, and 2023; hence, basic EPS is the same as diluted EPS.

29. COMMITMENTS AND CONTINGENCIES

29.1 Operating Lease Commitments – Group as Lessor

The Group is a lessor under several operating leases for certain condominium and parking units and retail building space (see Note 13). To manage its risks over these operating leases, the Group retains its legal title over the underlying assets and requires its lessee to pay security deposits at the start of the lease, which are forfeited in case a lessee pre-terminates without prior notice or before the expiry of the lease term without cause. The leases have terms ranging from one to 15 years, with renewal options, and include annual escalation from 5% to 10%.

The future minimum lease receivables under these agreements are presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Within one year	346,588,525	159,503,707	90,163,930
Within one to two years	188,764,519	115,750,118	107,102,709
Within two to three years	151,174,309	48,430,040	71,458,255
Within three to four years	124,591,942	42,816,603	23,406,711
Within four to five years	88,229,292	306,213,534	45,565,584
More than five years	361,096,810	445,954,152	136,979,178
	<u>1,260,445,397</u>	<u>1,118,668,154</u>	<u>474,676,367</u>

None of the rental income in 2025, 2024 and 2023 are relating to variable lease payments.

29.2 Operating Lease Commitments – Group as Lessee

The Group entered into several short-term cancellable leases for its billboards, warehouse and staff house. Rent expense incurred from the short-term cancellable leases are shown as Rent under Operating Expenses in the consolidated statements of profit or loss (see Note 20).

As at December 31, 2025 and 2024, the expected future rentals is expected to be more or less the same with the annual rent expense recognized because of the terms of the leases, which are less than 12 months.

29.3 Completion of Sold Units

The Group is obligated to finish the sold units that are at a certain stage of completion at the time of sale. The Group recognized a contract liability, which amounts to P345,034,388 and P296,265,114 as at December 31, 2025 and 2024, respectively, when it collects more than it is entitled to based on the stage of completion of the project development (see Note 18.2).

29.4 Purchase of Land

In 2025, the Group entered into agreements in principle with multiple sellers for the acquisition of parcels of land with a total acquisition cost of P5,304,542,461. As at December 31, 2025, advance payments totaling P782,304,850 were recognized as Deposits on Land for Future Development, which form part of the acquisition cost and were subsequently reclassified to raw land inventory upon completion of the transfers (see Notes 7 and 8). There were no similar transactions in 2024.

29.5 Capital Commitments for Construction Cost

As at December 31, 2025 and 2024, the Group has capital commitments amounting to P13,445,835,439 and P9,884,073,424, respectively, for the construction of real estate inventories, property and equipment and investment properties.

29.6 Others

As at December 31, 2025 and 2024, the Group has unused long-term credit facilities amounting to P33,870,583,184 and P27,509,778,540, respectively. There are other commitments and contingent liabilities that arise in the normal course of the Group's operations that are not reflected in the consolidated financial statements because the possible outflow of economic resource as a result of present obligations is considered improbable or remote or the amount to be provided cannot be measured reliably. As at December 31, 2025 and 2024, management is of the opinion that losses, if any, from these items will not have a material effect on the Group's consolidated financial statements.

30. EVENTS AFTER THE REPORTING PERIOD

30.1 Regulatory Approval of NTTUDA's Equity Subscription in CLIVI

On January 12, 2026, the Group received the Philippine Competition Commission (PCC) Certification dated January 9, 2026, granting clearance for the proposed subscription by NTTUDA to a 40% ownership interest in CLIVI. The cash proceeds received from NTTUDA had been temporarily recognized as redeemable preferred shares as at December 31, 2025, pending the required regulatory approval (see Note 17).

Following receipt of the PCC clearance, the redeemable preferred shares were settled, and the proceeds were applied as NTTUDA's subscription to a 40% equity interest in CLIVI. This subsequent event did not result in any change in the classification or measurement of the Group's investment in CLIVI, as CLIVI remained a subsidiary of CLI.

30.2 Declaration of Cash Dividends on Common Shares

On April 7, 2026, the BOD approved the declaration of regular cash dividends amounting to P0.18 per share with record date on April 22, 2026, which will be paid on May 6, 2026.

31. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to certain financial risks in relation to financial instruments. The Group's financial assets and liabilities by category are summarized in Note 32. The main types of risks are market risk, credit risk and liquidity risk. The Group's risk management focuses on actively securing the Group's short-to-medium term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

It does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Group is exposed to are described below and in the succeeding pages.

31.1 Market Risk

The Group is exposed to market risk through its use of financial instruments and specifically to foreign currency risk and interest rate risk which result from its operating, investing, and financing activities.

It has no significant foreign currency exposure risks as most of its transactions are carried out in Philippine pesos, its functional currency.

31.2 Credit Risk

Credit risk is the risk of financial loss to the Group if the counterparty to a financial instrument fails to meet its contractual obligation. To manage credit risk, the Group maintains credit policies and monitors its exposure to credit risk on a continuous basis. Receivables balances are being monitored on a regular basis to ensure timely execution of necessary collection intervention efforts. For contract receivables and contract assets, credit risk is mitigated by the Group's ability to repossess and resell the underlying property in accordance with contract terms and applicable laws. Management considers this recovery mechanism, together with historical cancellation and collection experience, in estimating expected credit losses.

(a) Maximum exposure to credit risk

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets (including contract assets), as summarized below.

<i>(Amounts in PHP)</i>	Notes	2025	2024
Cash and cash equivalents	5	3,040,615,556	1,583,238,995
Receivables*	6	6,147,468,808	4,559,580,864
Contract assets	18.2	55,602,021,829	49,427,127,660
Due from related parties	26.1	78,394,118	53,425,348
Restricted escrow fund	9	449,119,013	-
Short-term investments	9	220,581,011	344,058,432
Refundable deposits	14	205,268,395	162,843,330
		65,743,468,730	56,130,274,629

*Receivables excludes advances to officers and employees.

The estimated fair value of collateral and other security enhancements held against contract receivables and contract assets are presented below.

<i>(Amounts in PHP)</i>	Gross Maximum Exposure	Fair Value of Collaterals	Net Exposure
2025			
Contract receivables	4,983,901,960	7,726,121,469	-
Contract assets	55,602,021,829	93,766,678,074	-
	60,585,923,789	101,492,799,543	-
2024			
Contract receivables	3,631,116,205	20,542,658,953	-
Contract assets	49,427,127,660	91,773,492,697	-
	53,058,243,865	112,316,151,650	-

(b) Credit risk concentration

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Group's performance to developments affecting a particular industry or geographic location. In order to avoid excessive concentrations of risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

An analysis of concentration of credit risk by location of the Group's contract receivables and contract assets, net of allowance for impairment, is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Cebu	23,957,257,506	22,721,715,754
Rest of Visayas	11,120,649,191	11,485,421,026
Mindanao	22,975,920,198	17,605,869,229
Luzon	2,530,915,999	1,242,801,200
	60,584,742,894	53,055,807,209

(c) Credit Quality

The Group classifies cash in banks as high grade as these are deposited with reputable banks.

Other receivables, due from related parties and refundable deposits are considered to be unrated. For trade receivables, standard grade pertains to receivables with no default in payments and are effectively collateralized by the real estate inventories which can be subject to repossession upon non-payment of customers after reasonable collection effort has been exerted by the Group.

The quality of the Group's financial assets as at December 31, 2025 and 2024 is shown below.

	Neither past due not impaired			Past due but	Individually	
	High grade	Standard grade	Unrated	not impaired	impaired	Total
2025						
Cash and cash equivalents	3,040,615,556	-	-	-	-	3,040,615,556
Receivables:						
Contract	-	4,824,774,614	-	159,127,347	-	4,983,901,961
Others	-	-	1,162,385,952	-	1,180,895	1,163,566,847
Contract assets	-	55,602,021,829	-	-	-	55,602,021,829
Due from related parties	-	-	78,394,118	-	-	78,394,118
Restricted escrow fund	449,119,013	-	-	-	-	449,119,013
Short-term investments	220,581,011	-	-	-	-	220,581,011
Refundable deposits	-	-	205,268,395	-	-	205,268,395
	3,710,315,580	60,426,796,443	1,446,048,465	159,127,347	1,180,895	65,743,468,730
2024						
Cash and cash equivalents	1,583,238,995	-	-	-	-	1,583,238,995
Receivables:						
Contract	-	3,530,774,464	-	100,341,741	-	3,631,116,205
Others	-	-	926,028,003	-	2,436,656	928,464,659
Contract assets	-	49,427,127,660	-	-	-	49,427,127,660
Due from related parties	-	-	53,425,348	-	-	53,425,348
Short-term investments	344,058,432	-	-	-	-	344,058,432
Refundable deposits	-	-	162,843,330	-	-	162,843,330
	1,927,297,427	52,957,902,124	1,142,296,681	100,341,741	2,436,656	56,130,274,629

31.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored regularly using short-term and rolling cash flow projections. Long-term liquidity needs for a six-month and one-year period are identified monthly. It maintains cash to meet its liquidity requirements. Excess cash are invested in short-term placements.

	Current		Non-current	
	Within Six Months	Six to 12 Months	One to Five Years	More than Five Years
<i>(Amounts in PHP)</i>				
December 31, 2025				
Interest-bearing loans and borrowings	4,584,423,585	4,897,555,926	17,336,767,879	24,888,397,593
Bonds payable	3,234,760,250	382,738,827	11,316,034,284	2,426,060,974
Trade and other payables*	24,545,383,110	5,002,899,667	497,663,421	-
	32,364,566,945	10,283,194,420	29,150,465,584	27,314,458,567
December 31, 2024				
Interest-bearing loans and borrowings	9,497,098,173	7,681,229,710	28,265,746,477	7,641,105,598
Bonds payable	168,742,525	168,742,525	5,597,779,622	-
Trade and other payables*	14,960,959,702	5,985,919,806	493,844,611	-
	24,626,800,400	13,835,892,041	34,357,370,710	7,641,105,598

* Trade and other payables excludes output VAT, government-related obligations and advance rental.

The contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of the reporting periods.

32. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AND FAIR VALUE MEASUREMENTS AND DISCLOSURES

32.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the consolidated statements of financial position are shown below.

(Amounts in PHP)	Notes	2025		2024	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets					
At amortized cost:					
Cash and cash equivalents	5	3,040,615,556	3,040,615,556	1,583,238,995	1,583,238,995
Receivables - net ^f	6	6,147,468,808	6,147,468,808	4,559,580,864	4,559,580,864
Due from related parties	26.1	78,394,118	78,394,118	53,425,348	53,425,348
Restricted escrow fund	9	449,119,013	449,119,013	-	-
Short-term investments	9	220,581,011	220,581,011	344,058,432	344,058,432
Refundable deposits	14	205,268,395	205,268,395	162,843,330	162,843,330
		<u>10,141,446,901</u>	<u>10,141,446,901</u>	<u>6,703,146,969</u>	<u>6,703,146,969</u>
Financial Liabilities					
At amortized cost:					
Interest-bearing loans and borrowings	15	46,773,795,211	47,811,285,919	44,652,079,931	46,603,897,194
Bonds payable	16	13,874,488,611	14,481,548,887	4,964,768,926	5,102,082,489
Trade and other payables ²	17	30,045,946,198	30,045,946,198	21,440,724,119	21,440,724,119
		<u>90,694,230,020</u>	<u>92,338,781,004</u>	<u>71,057,572,976</u>	<u>73,146,703,802</u>

¹ Receivables - net excludes advances to officers and employees.

² Trade and other payables excludes output VAT, government-related obligations and advance rental.

A description of the Group's risk management objectives and policies for financial instruments is provided in Note 31.

32.2 Offsetting of Financial Assets and Financial Liabilities

The following financial assets with net amounts presented in the consolidated statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

(Amounts in PHP)	Gross amounts recognized in the consolidated statements of financial position		Net amount presented in the consolidated statements of financial position	Related amounts set-off in the consolidated statements of financial position		Net amount
	Financial assets	Financial assets set-off		Financial instruments	Cash collateral received	
December 31, 2025						
Cash and cash equivalents	<u>3,040,615,556</u>	<u>-</u>	<u>3,040,615,556</u>	<u>3,011,920,892</u>	<u>-</u>	<u>7,559,112</u>
December 31, 2024						
Cash and cash equivalents	<u>1,583,238,995</u>	<u>-</u>	<u>1,583,238,995</u>	<u>1,577,435,027</u>	<u>-</u>	<u>5,803,968</u>

The following financial liabilities with net amounts presented in the consolidated statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

(Amounts in PHP)	Gross amounts recognized in the consolidated statements of financial position		Net amount presented in the consolidated statements of financial position	Related amounts set-off in the consolidated statements of financial position		
	Financial liabilities	Financial liabilities set-off		Financial instruments	Cash collateral received	Net amount
December 31, 2025						
Interest-bearing loans	<u>46,773,795,211</u>	<u>-</u>	<u>46,773,795,211</u>	<u>3,011,920,892</u>	<u>-</u>	<u>43,761,874,319</u>
December 31, 2024						
Interest-bearing loans	<u>44,652,079,931</u>	<u>-</u>	<u>44,652,079,931</u>	<u>1,577,435,027</u>	<u>-</u>	<u>43,056,897,586</u>

For financial assets and financial liabilities subject to enforceable master netting agreements or similar arrangements above, each agreement between the Group and counterparties (i.e., banks) allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis, however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

32.3 Fair Value Measurements and Disclosures

(a) Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Classification within the fair value hierarchy is determined based on the lowest level of input that is significant to the measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

(b) *Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed*

The table below summarizes the fair value hierarchy of the Group's financial assets and financial liabilities, which are not measured at fair value in the 2025 and 2024 consolidated statements of financial position, but for which fair value is disclosed (see Note 32.1).

<i>(Amounts in PHP)</i>	Level 1	Level 2	Level 3	Total
2025				
<i>Financial assets:</i>				
Cash and cash equivalents	3,040,615,556	-	-	3,040,615,556
Receivables – net ¹	-	-	6,147,468,808	6,147,468,808
Due from related parties	-	-	78,394,118	78,394,118
Restricted escrow fund	449,119,013	-	-	449,119,013
Short-term investments	220,581,011	-	-	220,581,011
Refundable deposits	-	-	205,268,395	205,268,395
	3,710,315,580	-	6,431,131,321	10,141,446,901
<i>Financial liabilities:</i>				
Interest-bearing loans	-	-	47,811,285,919	47,811,285,919
Bonds payable	-	-	14,481,548,887	14,481,548,887
Trade and other payables	-	-	30,045,946,198	30,045,946,198
	-	-	92,338,781,004	92,338,781,004
2024				
<i>Financial assets:</i>				
Cash and cash equivalents	1,583,238,995	-	-	1,583,238,995
Receivables – net ¹	-	-	4,559,580,864	4,559,580,864
Due from related parties	-	-	53,425,348	53,425,348
Short-term investments	344,058,432	-	-	344,058,432
Refundable deposits	-	-	162,843,330	162,843,330
	1,927,297,427	-	4,775,849,542	6,703,146,969
<i>Financial liabilities:</i>				
Interest-bearing loans	-	-	46,603,897,194	46,603,897,194
Bonds payable	-	-	5,102,082,489	5,102,082,489
Trade and other payables	-	-	21,440,724,119	21,440,724,119
	-	-	73,146,703,802	73,146,703,802

¹ Receivables excludes advances to officers and employees.

² Trade and other payables excludes output VAT, government-related obligations and advance rental.

Management has determined that the carrying amounts of the Group's financial assets and liabilities measured at amortized cost approximate their fair values due to their short-term nature, except for interest-bearing loans and borrowings and bonds payable, whose fair values were determined using discounted cash flow techniques based on market rates.

(c) *Fair Value Measurement for Non-financial Assets*

The Group has no non-financial assets measured at fair value as at December 31, 2025 and 2024.

The table below shows the Levels within the hierarchy of investment property, which are not carried at fair value but whose fair value are required to be disclosed on a recurring basis (see Note 13).

<i>(Amounts in PHP)</i>	Level 1	Level 2	Level 3	Total
December 31, 2025	-	-	21,184,693,069	21,184,693,069
December 31, 2024	-	-	22,139,376,787	22,139,376,787

The fair value of the Group's investment properties was determined based on independent appraisals using market-based valuation techniques.

To some extent, the valuation process was conducted by the appraiser in discussion with the Group's management with respect to the determination of the inputs such as the size, age, and condition of the parcels of land and buildings, and the comparable prices in the corresponding property location.

The fair value of these parcels of land, condominium units, parking units, construction-in-progress and retail building were determined based on the following approaches:

(i) *Fair Value Measurement for Land, Condominium Units, Parking units and Retail Buildings*

The Level 3 fair value of the parcels of land, condominium units, retail building and parking slots under Investment Properties account was determined using the market approach, adjusted for differences in key attributes such as properties size, zoning and accessibility.

Under the market approach, when comparable lease offerings of similar properties and sales prices of comparable land properties in close proximity are used in the valuation of the subject property with insignificant adjustment on the price, fair value is included in Level 2. Consequently, if the observable recent prices of the reference properties were adjusted significantly for differences in key attributes such as properties size, zoning and accessibility, the fair value is included in Level 3. The most significant input into this valuation approach is the price per square foot; hence, the higher the price per square foot, the higher the fair value.

(ii) *Fair Value Measurement for Improvements under Retail Buildings*

The Level 3 fair value of building improvements presented as part of retail buildings under Investment Properties account was determined using the cost approach that reflects the cost to a market participant to construct an asset of comparable usage, construction standards, design and layout, adjusted for obsolescence. The more significant inputs used in the valuation include direct and indirect costs of construction such as but not limited to, labor and contractor's profit, materials and equipment, surveying and permit costs, electricity and utility costs, architectural and engineering fees, insurance and legal fees. These inputs were derived from various suppliers and contractor's quotes, price catalogues, and construction price indices. Under this approach, higher estimated costs used in the valuation will result in higher fair value of the properties.

There has been no change on the valuation techniques used by the Group, except as indicated above, during the period for its investment properties. There were no transfers into or out of Level 2 fair value hierarchy for the years ended December 31, 2025 and 2024.

33. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Group monitors capital on the basis of the carrying amount of equity as presented in the consolidated statements of financial position. Capital for the reporting periods under review is summarized as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Total interest-bearing loans and borrowings and bonds payable	60,648,283,822	49,616,848,857
Total equity	34,726,753,831	30,306,119,405
Debt-to-equity ratio	1.75:1.00	1.64:1.00

The Group's goal in capital management is to limit a maximum debt-to-equity structure ratio of 75:25 on a monthly basis. The Group is required to maintain certain financial ratios in relation with its borrowings (see Notes 15 and 16). The Group has complied with its covenant obligations for both years ended December 31, 2025 and 2024.

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group also monitors its DSCR in each of the reporting periods. The DSCR measures the Group's ability to meet its debt service obligations from operating results. As at December 31, 2025 and 2024, the Group's DSCR is 1.04:1.00 and 1.05:1.00, respectively.

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Presented below and in the succeeding page is the reconciliation of the Group's liabilities arising from financing activities, which includes both cash and non-cash changes.

<i>(Amounts in PHP)</i>	<u>Bank Loans (see Note 15)</u>	<u>Lease Liabilities (see Note 12.2)</u>	<u>Bonds Payable (see Note 16)</u>	<u>Total</u>
Balance as at January 1, 2025	44,652,079,931	1,291,348,622	4,964,768,926	50,908,197,479
Cash flows from financing activities:				
Additional borrowings - net	30,691,478,803	-	8,876,780,500	39,568,259,303
Repayments	(28,681,903,014)	(58,552,832)	-	(29,198,508,987)
Non-cash financing activities:				
Amortization of debt issue cost	112,139,491	-	32,939,185	145,078,676
Interest amortization on lease obligation	-	83,491,236	-	83,491,236
Balance at December 31, 2025	46,773,795,211	1,316,287,026	13,874,488,611	61,506,517,707

<i>(Amounts in PHP)</i>	Bank Loans (see Note 15)	Lease Liabilities (see Note 12.2)	Bonds Payable (see Note 16)	Total
Balance as at January 1, 2024	42,188,845,736	1,262,856,055	4,947,822,521	48,399,524,312
Cash flows from financing activities:				
Additional borrowings - net	17,475,143,091	-	-	17,475,143,091
Repayments	(15,162,165,054)	(53,505,133)	-	(15,215,670,187)
Non-cash financing activities:				
Amortization of debt issue cost	150,256,158	-	16,946,405	167,202,563
Interest amortization on obligation	-	81,997,700	-	81,997,700
Balance at December 31, 2024	<u>44,652,079,931</u>	<u>1,291,348,622</u>	<u>4,964,768,926</u>	<u>50,908,197,479</u>
Balance as at January 1, 2023	35,062,290,612	1,237,059,483	4,930,582,631	41,229,932,726
Cash flows from financing activities:				
Additional borrowings - net	12,943,572,214	-	-	12,943,572,214
Repayments	(5,791,848,745)	(54,646,634)	-	(5,846,495,379)
Reclassifications	(154,500,000)	-	-	(154,500,000)
Non-cash financing activities:				
Amortization of debt issue cost	129,331,655	-	17,239,890	146,571,545
Interest amortization on lease obligation	-	80,167,300	-	80,167,300
Amendment of lease contract	-	275,906	-	275,906
Balance at December 31, 2023	<u>42,188,845,736</u>	<u>1,262,856,055</u>	<u>4,947,822,521</u>	<u>48,399,524,312</u>

35. SUPPLEMENTARY INFORMATION ON NON-CASH INVESTING AND FINANCING ACTIVITIES

Discussed below and in the succeeding page are the supplementary disclosures of significant non-cash investing and financing activities that are relevant to the consolidated statements of cash flows of the Group.

- (a) In 2024, the Group recognized additional right-of-use assets and corresponding lease liabilities amounting to P5,176,039 arising from newly executed lease contracts. In 2023, lease liabilities amounting to P275,906 were recognized as a result of amendments to existing lease contracts. There were no similar non-cash lease transactions in 2025 (see Notes 12 and 34).
- (b) In 2025, 2024 and 2023, borrowing costs that were capitalized as part of Property and Equipment and Investment Properties totaled to P2,168,645,976, P1,657,889,230 and P917,080,738, respectively (see Notes 11 and 13).
- (c) In 2025 and 2023, the Group recognized unpaid construction costs of P115,079,757, and P901,244,286, respectively, as additions to Property and Equipment (see Note 11). In the same periods, unpaid construction costs amounting to P1,143,596,972, and P372,908,913, respectively, were recognized as additions to Investment Properties (see Note 13). In 2024, the Group recognized net reductions in accrued construction costs related to Property and Equipment and Investment Properties amounting to P317,515,097 and P2,386,226,062, respectively, as settlement and reversals exceeded the unpaid construction costs during the year (see Notes 11 and 13).

- (d) In 2025, the Group reclassified investment properties with carrying amounts of P9,682,090 and P76,232,243 to real estate inventories and property and equipment, respectively. In 2024, investment properties amounting to P812,947,763 and P2,536,188 were reclassified to real estate inventories and property and equipment, respectively. In 2023, investment properties amounting to P1,220,235,831 and P502,646 were reclassified to real estate inventories and property and equipment, respectively. These reclassifications did not result in cash flows and therefore represent non-cash investing activities (see Notes 7, 11 and 13).
- (e) Unpaid dividends in relation to CLI's Series A-1 and A-2 preferred shares amounted to P339,406,706 as at both December 31, 2025 and 2024, and is presented as Dividends payable under Trade and Other Payables in the statements of financial position.

In 2023, BL Ventures declared dividends amounting to P16,800,000 of which P8,400,000 is still outstanding and payable to shareholders as at December 31, 2023. The amount was paid in full in 2024.

- (f) In 2024, the BOD approved the Parent Company's intent to enter into negotiations with ABS for the sale 30% of its shareholdings with CLI NUD in the amount of P237,832,347, reclassifying portion of the investment in joint venture to NCAHFS.

In 2025, the planned sale was cancelled, and the asset previously classified as NCAHFS was reclassified back to investment in joint venture (see Note 10.3).

Further in 2025, the Parent Company obtained control over CLI NUD through a step acquisition. As a result, the identifiable net assets of CLI NUD, including its cash balance, were recognized and consolidated as at the acquisition date (see Note 10.3).

- (g) In 2025 and 2024, the Group sold certain investment properties with carrying amounts of P1,029,108,737 and P478,601,022, respectively, for P2,834,743,566 and P878,045,491, respectively (see Note 13). As at December 31, 2025 and 2024, the total outstanding balance from the transactions amounted to P1,873,283,139 and P837,666,834, respectively, which are presented as part of Contract receivables under Receivables account in the consolidated statements of financial position (see Note 6).



**P&A
Grant Thornton**

**Report of Independent Auditors
to Accompany Supplementary
Information Required by the
Securities and Exchange Commission
Filed Separately from the Basic
Consolidated Financial Statements**

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

**The Board of Directors and Stockholders
Cebu Landmasters, Inc. and Subsidiaries
(A Subsidiary of A B Soberano Holdings Corp.)**
10th Floor, Park Centrale Tower
Jose Ma. Del Mar St., B2 L3
Cebu I.T. Park, Brgy. Apas
Cebu City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Cebu Landmasters, Inc. and Subsidiaries (the Group) for the years ended December 31, 2025 and 2024, on which we have rendered our report dated April 7, 2026. Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of the Revised Securities Regulation Code Rule 68 and is not a required part of the basic consolidated financial statements prepared in accordance with Philippine Financial Reporting Standards. Such supplementary information is the responsibility of the Group's management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

PUNONGBAYAN & ARAULLO


By: Renan A. Piamonte
Partner

CPA Reg. No. 0107805

TIN 

PTR No. 10770769, January 6, 2026, Makati City

SEC Group A Accreditation

Partner - No. 107805-SEC (until financial period 2025)

Firm - No. 0002 (until financial period 2030)

BIR AN 08-002551-037-2025 (until August 6, 2028)

BOA/PRC Cert. of Reg. No. 0002/P-010 (until August 12, 2027)

April 7, 2026

Certified Public Accountants

Punongbayan & Araullo (P&A) is the Philippine member firm of Grant Thornton International Ltd.

grantthornton.com.ph

Offices in Cavite, Cebu, Davao
BOA/ PRC Cert of Reg. No. 0002
SEC Accreditation No. 0002

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
List of Supplementary Information
December 31, 2025

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as of December 31, 2025

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Supplemental Schedule of Financial Soundness Indicators

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
Schedule A - Financial Assets
December 31, 2025

Type of securities	Amount Shown in the Statement of Financial Position		Income Received and Accrued	
<u>Financial Assets at Amortized Cost</u>				
Cash and Cash Equivalents				
Cash in banks	P	1,860,554,518	P	6,365,008
Short-term placements		1,172,501,926		57,913,164
Cash on hand		<u>7,559,112</u>		<u>-</u>
		<u>3,040,615,556</u>		<u>64,278,172</u>
Receivables				
Contract receivables		4,983,901,960		-
Retention receivable		247,571,464		-
Management fee receivables		164,296,911		-
Receivable from insurance		67,763,900		-
Rent receivable		100,498,441		-
Other receivables		<u>583,436,132</u>		<u>-</u>
		<u>6,147,468,808</u>		<u>-</u>
Due from Related Parties		<u>78,394,118</u>		<u>-</u>
Prepayments and Other Current Assets				
Restricted escrow fund		449,119,013		-
Short-term investments		<u>220,581,011</u>		<u>-</u>
		<u>669,700,024</u>		<u>-</u>
Other Non-Current Assets				
Refundable deposits		<u>205,268,395</u>		<u>-</u>
Total	P	<u>10,141,446,900</u>	P	<u>64,278,172</u>

CEBU LANDMASTERS, INC. AND SUBSIDIARIES

(A Subsidiary of A B Soberano Holdings Corp.)

Schedule B - Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Affiliates)

December 31, 2025

Name and designation of debtor	Balance at beginning of period	Additions	Reclassification	Deductions		Ending Balance		Balance at end of period
				Amounts collected	Amounts Written off	Current*	Not-current**	
Entities Under Common Ownership:								
Condominium Corporation								
Base Line Center Condo Corporation	P 21,978,953	P 1,392,108	p -	P -	p -	P 23,371,061	p -	P 23,371,061
Casa Mira Towers Labangon	7,038,864	-	-	(68,251)	-	6,970,613	-	6,970,613
Mesatierra Garden Residences Condominium Corporation	(235,681)	493,325	-	-	-	257,645	-	257,645
Baseline Residences Condo Corporation	3,629,000	14,388	-	-	-	3,643,388	-	3,643,388
Latitude Corporate Center Condo Corp	1,453,033	-	-	(46,039)	-	1,406,994	-	1,406,994
Mivesa Garden Residences Condo Corporation	7,768,190	-	-	(3,652,101)	-	4,116,089	-	4,116,089
Mesaverte Residences Condominium Corporation	1,359,089	-	-	(500,039)	-	859,050	-	859,050
Midori Residences Condo Corporation	443,844	-	-	(72,014)	-	371,830	-	371,830
Asia Premier Condo Corporation	335,123	251,220	-	-	-	586,343	-	586,343
Mesavirre Garden Residences Condominium Corporation	85,169	-	-	(160,923)	-	(75,754)	-	(75,754)
38 Park Avenue Condominium Corporation	65,320	13,428,738	-	-	-	13,494,058	-	13,494,058
Casa Mira Towers Guadalupe Condominium Corp	263,772	1,277,599	-	-	-	1,541,371	-	1,541,371
Mivela Garden Residences Condominium Corporation	163,275	676,438	-	-	-	839,713	-	839,713
Park Centrale Condo Corporation	(991,683)	5,402,850	-	-	-	4,411,166	-	4,411,166
Casa Mira Towers Mandaue Condominium Corporation	-	37,500	-	-	-	37,500	-	37,500
One Astra Place Condo Corp	-	40,600	-	-	-	40,600	-	40,600
The Pad Living Co.	-	2,500,000	-	-	-	2,500,000	-	2,500,000
	<u>43,356,268</u>	<u>25,514,765</u>	<u>-</u>	<u>(4,499,367)</u>	<u>-</u>	<u>64,371,667</u>	<u>-</u>	<u>64,371,667</u>
Homeowners' Associations								
Casa Mira South	3,704,274	146,901	-	-	-	3,851,175	-	3,851,175
Casa Mira Linao	1,556,871	7,059	-	-	-	1,563,930	-	1,563,930
Velmiro Heights	835,962	-	-	(8,826)	-	827,136	-	827,136
Midori Plains	568,446	16,792	-	-	-	585,238	-	585,238
Casa Mira Coast	733,723	771,330	-	-	-	1,505,053	-	1,505,053
San Josemaria Villages	227,354	-	-	-	-	227,354	-	227,354
Casa Mira Granada (Bacolod) Homeowners Association	-	14,500	-	-	-	14,500	-	14,500
Velmiro Plains Bacolod Homeowners Association	-	14,500	-	-	-	14,500	-	14,500
Villa Casita North	4,982	-	-	(6,000)	-	(1,018)	-	(1,018)
Velmiro Uptown	(483,188)	810,436	-	-	-	327,248	-	327,248
	<u>7,148,425</u>	<u>1,781,518</u>	<u>-</u>	<u>(14,826)</u>	<u>-</u>	<u>8,915,118</u>	<u>-</u>	<u>8,915,118</u>
Others								
Regalos de Cebu	1,573,279	-	-	(209,607)	-	1,363,672	-	1,363,672
AB Soberano International Corp	1,687,466	578,223	-	-	-	2,265,689	-	2,265,689
Soberano Ventures Inc.	303,880	45,476	-	-	-	349,356	-	349,356
Cebu Landmasters Foundation, Inc.	32,643	1,253,313	-	-	-	1,285,956	-	1,285,956
	<u>3,597,268</u>	<u>1,877,012</u>	<u>-</u>	<u>(209,607)</u>	<u>-</u>	<u>5,264,673</u>	<u>-</u>	<u>5,264,673</u>
	<u>54,101,961</u>	<u>29,173,296</u>	<u>-</u>	<u>(4,723,800)</u>	<u>-</u>	<u>78,551,458</u>	<u>-</u>	<u>78,551,458</u>
Associates								
Magspeak Nature Park Inc	-	194,000	-	-	-	194,000	-	194,000
Iloilo Global City Corporation	-	-	-	-	-	-	-	-
ICOM Air Corporation	(676,613)	325,273	-	-	-	(351,340)	-	(351,340)
	<u>(676,613)</u>	<u>519,273</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(157,340)</u>	<u>-</u>	<u>(157,340)</u>
Ultimate Parent Company	<u>837,666,834</u>	<u>1,976,896,869</u>	<u>-</u>	<u>(892,805,392)</u>	<u>-</u>	<u>1,921,758,311</u>	<u>-</u>	<u>1,921,758,311</u>
					-			
Key Management Personnel	<u>-</u>	<u>1,303,957,920</u>	<u>-</u>	<u>(28,961,732)</u>	<u>-</u>	<u>1,274,996,188</u>	<u>-</u>	<u>1,274,996,188</u>
	P 891,092,183	P 3,310,547,358	P -	(P 926,490,924)	p -	P 3,275,148,617	p -	P 3,275,148,617

*Due within one year

**Due beyond one year

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
Schedule C - Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements
December 31, 2025

						Deductions						
Name and Designation of debtor	Balance at beginning of period	Additions	Reclassification			Amounts collected	Amounts written off	Current*	Non-current**	Balance at end of period		
CLI Premier Hotels Int'l. Inc.	P 17,933,310	P 51,142,522	p -	(	P 51,045,165)	P -	P 18,030,666	P -	P 18,030,666			
Cebu Landmasters Property Management, Inc.	54,481,909	7,899,041	-	-	-	-	62,380,951	-	62,380,951			
BL CBP Ventures, Inc.	123,008,930	16,780,381	-	(	42,586,962)	-	97,202,350	-	97,202,350			
Yuson Excellence Soberano, Inc.	2,907,763	4,983,338	-	(	3,166,659)	-	4,724,442	-	4,724,442			
CCLI Premier Hotels Int'l. Inc.	105,745,411	59,082,873	-	(	145,383)	-	164,682,901	-	164,682,901			
Mivesa Garden Residences, Inc.	277,898	-	-	(	2,497,067)	-	(2,219,169)	-	(2,219,169)			
El Camino Developers Cebu, Inc.	8,335,645	-	-	(	339,339)	-	7,996,306	-	7,996,306			
Yuson Huang Excellence Soberano, Inc.	3,870,736	32,425,065	-	(	28,894,272)	-	7,401,528	-	7,401,528			
YHEST Realty and Development Corporation	5,321,762	22,407,343	-	(	21,164,380)	-	6,564,726	-	6,564,726			
Cebu BL-Ramos Ventures, Inc.	3,054,448	39,671,495	-	(	28,153,380)	-	14,572,563	-	14,572,563			
GGTT Realty Corporation	22,750,971	4,317,407	-	-	-	-	27,068,378	-	27,068,378			
Ming-mori Development Corporation	-	-	-	-	-	-	-	-	-			
Sugbo Prime Estate, Inc.	23,128,188	18,051,340	-	-	-	-	41,179,528	-	41,179,528			
CLI-LITE Panglao, Inc.	880,949	6,636,414	-	(	5,637,732)	-	1,879,630	-	1,879,630			
CLI HOTELS AND RESORTS INC.	167,601	92,853	-	-	-	-	260,454	-	260,454			
CLI NUD Ventures Inc.	-	-	-	(	600)	-	(600)	-	(600)			
CLI LUZON VENTURES INC.	-	31,838	-	-	-	-	31,838	-	31,838			
CLI MAC DEVELOPERS INC.	-	50,600	-	-	-	-	50,600	-	50,600			
Cebu Homegrown Developers, Inc.	238,410,159	35,603,560	-	(	273,483,078)	-	530,641	-	530,641			
	P 610,275,679	P 299,176,069	-	(	P 457,114,016)	P -	P 452,337,732	P -	P 452,337,732			

**Due within one year*

***Due beyond one year*

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
Schedule D - Long-Term Debt
December 31, 2025

<i>Title of issue and type of obligation</i>	<i>Amount shown under caption "Current portion of long-term debt" in related Statement of Financial Position</i>		<i>Amount shown under caption "Long-Term Debt" in related Statement of Financial Position</i>		<i>Interest Rate</i>	<i>No. of Periodic Installments</i>	<i>Maturity Date</i>
<i>Promissory notes</i>							
Bank of the Philippine Islands	P	773,061,739	P	7,321,022,947	6.50% to 8.35%	Various	01/06/2025 to 05/27/2034
Land Bank of the Philippines		142,535,546		1,344,171,978	5.00% to 7.50%	Various	05/30/2028 to 08/30/2029
BDO Unibank Inc.		270,000,000	-		6.38% to 8.37%	Various	05/13/2025 to 07/25/2027
Bank of Commerce		298,149,905		417,253,705	7.23% to 8.75%	Various	11/09/2028 to 03/03/2029
Development Bank of the Philippines		1,444,408,367		2,225,468,533	5.00% to 8.50%	Various	01/15/2025 to 05/20/2034
China Banking Corporation		449,857,402		3,226,100,366	6.65% to 8.25%	Various	03/26/2025 to 05/01/2034
Rizal Commercial Banking Corporation		932,107,692		1,619,094,531	8.00% to 8.75%	Various	03/13/2025 to 12/15/2030
Philippine National Bank		1,234,967,008		995,496,764	4.75% to 7.96%	Various	01/25/2025 to 03/18/2025
Sterling Bank of Asia		20,833,333		854,218,006	6.25% to 6.75%	Various	03/17/2027 to 06/16/2028
Asia United Bank		48,040,924		571,865,478	7.39% to 8.16%	Various	03/30/2029
Philippine Commercial Capital Inc		221,100,000		88,000,000	7.50%	Various	12/02/2025
Security Bank		-		497,852,395	7.25%	Various	10/28/2025
		<u>5,835,061,917</u>		<u>19,160,544,703</u>			
<i>Corporate notes</i>							
Bank of the Philippine Islands		87,500,000		391,998,807	3.57 to 7.25%	Various	12/20/2025 to 04/28/2027
Land Bank of the Philippines		142,857,143		1,347,819,071	4.23% to 6.63%	Various	08/02/2028 to 03/10/2030
Development Bank of the Philippines		250,000,000		1,119,604,529	3.54% to 4.66%	Various	04/28/2027
China Banking Corporation		294,642,855		1,798,518,811	3.46% to 7.25%	Various	09/04/2025 to 10/10/2028
Rizal Commercial Banking Corporation		187,500,000		839,703,396	3.46% to 4.66%	Various	09/04/2025 to 04/28/2027
		<u>962,499,999</u>		<u>5,497,644,614</u>			
<i>Sustainability-Linked Notes</i>							
BPI Asset Management		<u>-</u>		<u>2,965,973,025</u>	6.87% to 7.37%	Various	08/15/2035 to 09/01/2035
<i>CTS (Loans)</i>							
Bank of the Philippine Islands		-		2,429,973,980	6.5% to 8.35%	Various	12/29/25 to 04/03/2027
China Banking Corporation		-		2,133,737,469	7.25 to 7.75%	Various	09/22/25 to 02/19/2027
Rizal Commercial Banking Corporation		-		5,123,903,168	6.75% to 7.5%	Various	08/30/25 to 11/28/2027
Security Bank		-		665,149,346	7.200%	Various	09/30/2026 to 04/30/2027
Philippine National Bank		-		1,999,306,991	6.750%	Various	08/29/2027 to 10/24/2027
		<u>-</u>		<u>12,352,070,953</u>			
<i>Corporate Bonds</i>							
Philippine Depository & Trust		<u>2,763,194,048</u>		<u>2,218,474,982</u>	6.42% to 7.36%	N/A	04/07/2026 to 10/07/2029
<i>Sustainability-Linked Bonds</i>							
Philippine Depository & Trust		<u>-</u>		<u>8,892,819,581</u>	6.54% to 6.96%	N/A	03/31/2028 to 12/05/2035
	P	9,560,755,963	P	51,087,527,859			

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
Schedule E - Indebtedness to Related Parties
December 31, 2025

<i>Name of related party</i>	<i>Balance at beginning of period</i>	<i>Balance at end of period</i>

NOT APPLICABLE

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
Schedule F - Guarantees of Securities of Other Issues
December 31, 2025

<i>Name of issuing entity of securities guaranteed by the company for which this statement is filed</i>	<i>Title of issue of each class of securities guaranteed</i>	<i>Total amount guaranteed and outstanding</i>	<i>Amount owned by person for which statement is filed</i>	<i>Nature of guarantee</i>

NOT APPLICABLE

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
Schedule G - Capital Stock
December 31, 2025

				Number of shares held by		
<i>Title of Issue</i>	<i>Number of shares authorized</i>	<i>Number of shares issued and outstanding as shown under the related Statement of Financial Position caption</i>	<i>Number of shares reserved for options, warrants, conversion and other rights</i>	<i>Related parties</i>	<i>Directors, officers and employees</i>	<i>Others</i>
Common shares - P1.00 par value						
Authorized	9,000,000,000					
Issued and outstanding		3,623,451,997	158,250,530	2,294,199,095	48,502,500	1,280,750,402
Preferred Shares:						
Authorized						
Series A– P1.00 par value	1,000,000,000					
Series B – P0.10 par value	1,000,000,000					
Issued and outstanding						
Series A-1 (CLIA1)		2,063,360	-	-	-	-
Series A-2 (CLIA2)		2,216,980	-	-	-	-

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
Schedule I - Recent Offering of Securities to Public (Preferred Shares)
December 31, 2025
(Amounts in Millions)

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

Gross Proceeds	P	5,000.00
Less: Estimated Expenses		<u>37.00</u>
Net Proceeds	P	<u>4,963.00</u>

2. Actual and net proceeds

Actual Gross Proceeds*	P	4,280.34
Less: Actual Expenses		<u>45.04</u>
Actual Net Proceeds	P	<u>4,235.30</u>

3. Each expenditure item where the proceeds were used

Project Development Costs	P	3,363.01
General Corporate Expenses		<u>872.29</u>
Total	P	<u>4,235.30</u>

4. Balance of the proceeds as of December 31, 2025

P -

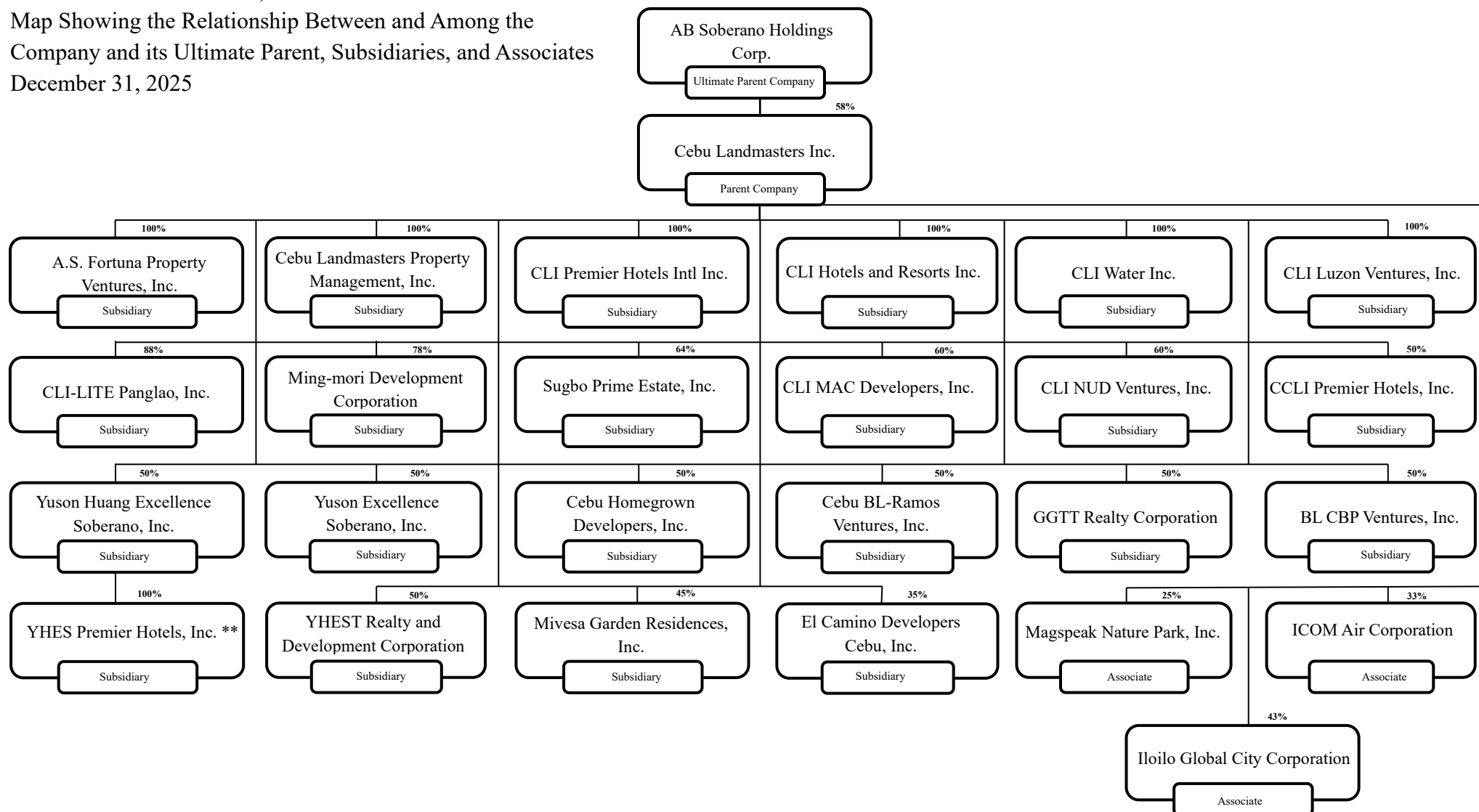
**Actual preferred shares raised amounted to P4,280,340,000*

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
10th Floor, Park Centrale Tower, Jose Ma. Del Mar St., B2 L3, Cebu I.T. Park, Brgy., Apas, Cebu City
Reconciliation of Retained Earnings Available for Dividend Declaration
December 31, 2025

Unappropriated Retained Earnings at Beginning of Year	P	9,270,590,354
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earning Appropriation/s	P	1,693,661,345
Effect of restatements or prior-period adjustments	-	
Others	-	1,693,661,345
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	(	963,142,965)
Retained Earnings appropriated during the reporting period	(	3,236,320,375)
Effect of restatements or prior-period adjustments	-	
Others	-	(4,199,463,340)
Unappropriated Retained Earnings at Beginning of Year, as adjusted		6,764,788,359
Add/Less: Net Income (Loss) for the Current Year		3,132,756,404
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	(	427,574,740)
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized fair value gain of investment property	-	
Other unrealized gains or adjustments to the retained earnings as result of certain transactions accounted for under the PFRS	-	
Sub-total		(427,574,740)
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Realized fair value adjustment (mark-to-market gains) of financial instruments at 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		-
Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instrument at FVTPL	-	
Reversal of previously recorded fair value gain of investment property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-	
Sub-total		-
Adjusted Net Income/Loss		9,469,970,023
Add: Category D: Non-actual lossess recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	
Sub-total		-
Add/ Less: Category E: 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: Category F: Other items that should be excluded from the		
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	33,783,453	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set up of right-of-use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others	-	
Sub-total		33,783,453
Unappropriated Retained Earnings Available for Dividend Distribution at End of Year	P	9,503,753,476

CEBU LANDMASTERS, INC. AND SUBSIDIARIES

Map Showing the Relationship Between and Among the Company and its Ultimate Parent, Subsidiaries, and Associates
December 31, 2025



***YHES Premier Hotels, Inc. is 100% owned by Yuson Huang Excellence Soberano, Inc. and 50% indirectly owned by Cebu Landmasters, Inc.*

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
Supplemental Schedule of Financial Soundness Indicators
December 31, 2025 and 2024
(Amounts in Philippine Pesos)

Ratio	Formula	2025	Formula	2024
Current ratio	Total Current Assets divided by Total Current Liabilities Total Current Assets 57,350,750,814 Divide by: Total Current Liabilities 39,898,482,895 Current Ratio 1.44	1.44	Total Current Assets divided by Total Current Liabilities Total Current Assets 47,640,752,757 Divide by: Total Current Liabilities 31,627,957,820 Current Ratio 1.51	1.51
Acid test ratio	Quick assets (Cash and cash equivalents plus Current Receivables and Current Contract Assets and Due from Related Parties) divided by Total Current Liabilities Cash and cash equivalents 3,040,615,556 Add: Current Receivables 4,707,683,379 Current Contract Assets 17,104,926,866 Due from Related Parties 78,394,118 Quick Assets 24,931,619,919 Divide by: Total Current Liabilities 39,898,482,895 Acid test ratio 0.62	0.62	Quick assets (Cash and cash equivalents plus Current Receivables and Current Contract Assets and Due from Related Parties) divided by Total Current Liabilities Cash and cash equivalents 1,583,238,995 Add: Current Receivables 4,481,590,912 Current Contract Assets 20,843,159,851 Due from Related Parties 53,425,348 Quick Assets 26,961,415,106 Divide by: Total Current Liabilities 31,627,957,820 Acid test ratio 0.85	0.85
Solvency ratio	Total Liabilities divided by Total Assets Total Liabilities 99,430,555,590 Divide by: Total Assets 134,157,309,421 Solvency ratio 0.74	0.74	Total Liabilities divided by Total Assets Total Liabilities 78,696,405,437 Divide by: Total Assets 109,002,524,842 Solvency ratio 0.72	0.72
Debt-to-equity ratio	Total Liabilities divided by Total Equity Total Liabilities 99,430,555,590 Divide by: Total Equity 34,726,753,831 Debt-to-equity ratio 2.86	2.86	Total Liabilities divided by Total Equity Total Liabilities 78,696,405,437 Divide by: Total Equity 30,306,119,405 Debt-to-equity ratio 2.60	2.60
Assets-to-equity ratio	Total Assets divided by Total Equity Total Assets 134,157,309,421 Divide by: Total Equity 34,726,753,831 Assets-to-equity ratio 3.86	3.86	Total Assets divided by Total Equity Total Assets 109,002,524,842 Divide by: Total Equity 30,306,119,405 Assets-to-equity ratio 3.60	3.60
Interest rate coverage ratio	Earnings before interest and taxes (EBIT) divided by Interest expense Profit before tax 5,513,936,970 Cash and Cash Equivalents 3,040,615,556 Depreciation & Amortization 293,585,990 Add: Interest charged to Finance Costs 2,370,469,474 EBIT 11,218,607,990 Divide by: Interest Expense* 2,229,416,314 Interest rate coverage ratio 5.03 <i>*Excludes 2,168,645,976 interest capitalized as part of property and equipment, and investment property</i>	5.03	Earnings before interest and taxes (EBIT) divided by Interest expense Profit before tax 5,227,779,304 Cash and Cash Equivalents 1,583,238,995 Depreciation & Amortization 175,519,160 Add: Interest charged to Finance Costs 2,188,102,745 EBIT 9,174,640,204 Divide by: Interest Expense* 2,102,801,908 Interest rate coverage ratio 4.36 <i>*Excludes 1,657,889,230 interest capitalized as part of property and equipment, and investment property</i>	4.36
Return on equity	Net Profit divided by Total Ave. Equity Net Profit 4,029,541,777 Divide by: Total Ave. Equity 32,516,436,618 Return on equity 12%	12%	Net Profit divided by Total Ave. Equity Net Profit 3,997,848,977 Divide by: Total Ave. Equity 26,879,615,241 Return on equity 15%	15%
Return on assets	Net Profit divided by Total Ave. Assets Net Profit 4,029,541,777 Divide by: Total Ave. Assets 121,579,917,132 Return on assets 3%	3%	Net Profit divided by Total Ave. Assets Net Profit 3,997,848,977 Divide by: Total Ave. Assets 104,725,299,581 Return on assets 4%	4%
Net profit margin	Net Profit divided by Revenues Net Profit 4,029,541,777 Divide by: Total Revenue 18,517,428,402 Return on assets 22%	22%	Net Profit divided by Revenues Net Profit 3,997,848,977 Divide by: Total Revenue 18,647,297,898 Return on assets 21%	21%
Other ratio				
Gross profit margin	Gross Profit divided by Total Revenue Gross Profit 9,510,241,895 Divide by: Total Revenue 18,517,428,402 Gross profit margin 51%	51%	Gross Profit divided by Total Revenue Gross Profit 9,769,670,539 Divide by: Total Revenue 18,647,297,898 Gross profit margin 52%	52%

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
Supplementary Schedule of External Auditor Fee-Related Information
For the Years Ended December 31, 2025 and 2024

	<u>2025</u>	<u>2024</u>
Total Audit Fees	P 8,958,500	P 6,900,040
Non-audit service fees:		
Other assurance services	3,600,000	3,000,000
Tax services	-	-
All other services	480,000	480,000
Total Non-Audit Fees	<u>4,080,000</u>	<u>3,480,000</u>
Total Audit and Non-audit Fees	P <u>13,038,500</u>	P <u>10,380,040</u>

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	0	3	2	1	2	4	0

Company Name

[illegible]

Principal Office (No./Street/Barangay/City/Town)Province)

1	0	T	H		F	L	O	O	R		P	A	R	K		C	E	N	T	R	A	L	E		T	O	W	E	R
J	O	S	E		M	A	.		D	E	L		M	A	R		S	T	.		B	2		L	3	,			
C	E	B	U		I	.	T	.		P	A	R	K	,		B	R	G	Y	.		A	P	A	S	,			
C	E	B	U		C	I	T	Y	,		P	H	I	L	I	P	P	I	N	E	S		6	0	0	0			

Form Type

A	F	S	2	5

Department requiring the report

S	E	C	

Secondary License Type, If Applicable

COMPANY INFORMATION

Company's Email Address

jggarde@cebulandmasters.com

Company's Telephone Number/s

(032) 231 4914

Mobile Number

N/A

No. of Stockholders

21

Annual Meeting
Month/Day

1st Friday of July

Fiscal Year
Month/Day

12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person

Jose R. Soberano III

Email Address

ceo@cebulandmasters.com

Telephone Number/s

(032) 231 4914

Mobile Number

Contact Person's Address

10th floor, Park Centrale Tower, Jose Ma. del Mar St., B2 L3, Cebu I.T. Park, Brgy. Apas, Cebu City

Note: 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.

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The management of Cebu Landmasters, Inc. (the Company) 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 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 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.

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the financial statements of the Company in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.


Jose R. Soberano III

Chairman of the Board, Chief Executive Officer and President

TIN: 


Ma. Rosario B. Soberano

Executive Vice President and Treasurer

TIN: 


Paquita Tigme-Rafols

Chief Financial Officer

TIN: 

Signed this 7th day of April 2026.

SUBSCRIBED AND SWORN to before me this APR 07 2026 at Cebu City,
affiants exhibiting to me their respective Tax Identification Nos.

Doc No. 244;

Page No. 70;

Book No. 15;

Series of 2026


ATTY LARRY NING VELOSO

Notary Public

Talisay City and Naga City, Cebu

Commission No. 2017-05-EJ | December 31, 2026

Roll of Attorneys No. 58901

MCLE Compliance No. VIII-003:036; issued on 05-09-2025

PTR No. 1560269 - 12-12-2025, Cebu Province

IBP No. 587630 - 01-09-2020, Cebu Chapter

Block 1, 1st Floor, 1st and 2nd Visions Magistrate

Talisay City, Cebu, Philippines 6045

10th Floor, Park Central J.M. del Mar St., Cebu I.T. Park, Apas, Cebu City
Tel. No. (032) 231-4944 (032) 231-4870 or Telefax (032) 231-5073



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To: MYUCLACCTG@gmail.com
Cc: MYUCLACCTG@gmail.com

Tue, Apr 14, 2026 at 9:22 AM

Hi CEBU LANDMASTERS INC,

Valid files

- EAFS227599320AFSTY122025.pdf
- EAFS227599320ITRTY122025.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-BBL7ACLD0BA7B9BDGN1MT4WZX06A7HKEJD**
Submission Date/Time: **Apr 14, 2026 09:22 AM**
Company TIN: **227-599-320**

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.

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P&A
Grant Thornton

FOR SEC FILING

Financial Statements and
Independent Auditors' Report

Cebu Landmasters, Inc.

December 31, 2025, 2024 and 2023
(With Corresponding Figures as of January 1, 2024)

Report of Independent Auditors

The Board of Directors and Stockholders
Cebu Landmasters, Inc.
(A Subsidiary of A B Soberano Holdings Corp.)
10th Floor, Park Centrale Tower
Jose Ma. Del Mar St., B2 L3
Cebu I.T. Park, Brgy. Apas
Cebu City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Cebu Landmasters, Inc. (the Company), which comprise the statements of financial position as at December 31, 2025 and 2024, and statements of profit or loss, statements of comprehensive income, statements of changes in equity and statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and its cash flows for each of 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 (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of the financial statements of public interest entities in the Philippines. We have also 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of 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.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 PSA 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 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 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 auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 Other Legal and Regulatory Requirements

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information for the year ended December 31, 2025 required by the Bureau of Internal Revenue as disclosed in Note 34 to the financial statements is presented for purposes of additional analysis and is not a required part of the basic financial statements prepared in accordance with PFRS Accounting Standards. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

PUNONGBAYAN & ARAULLO



By: Renan A. Piamonte
Partner

CPA Reg. No. 0107805

TIN 

PTR No. 10770769, January 6, 2026, Makati City

SEC Group A Accreditation

Partner - No. 107805-SEC (until financial period 2025)

Firm - No. 0002 (until financial period 2030)

BIR AN 08-002551-037-2025 (until August 6, 2028)

BOA/PRC Cert. of Reg. No. 0002/P-010 (until August 12, 2027)

April 7, 2026

CEBU LANDMASTERS, INC.
(A Subsidiary of A B Soberano Holdings Corp.)
STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024
(With Corresponding Figures as of January 1, 2024)
(Amounts in Philippine Pesos)

			December 31, 2024 (As Restated – see Note 2)	January 1, 2024 (As Restated – see Note 2)
	Notes	2025		
<u>A S S E T S</u>				
CURRENT ASSETS				
Cash and cash equivalents	4	P 1,834,002,955	P 667,937,940	P 441,670,591
Receivables	5	3,372,699,102	2,764,806,240	1,465,941,409
Contract assets	17	7,702,225,031	15,436,691,263	19,482,468,256
Real estate inventories	6	5,964,793,065	6,000,151,302	7,540,376,650
Deposits on land for future development	7	754,165,850	-	-
Due from related parties	25	513,290,781	664,246,029	698,510,600
Prepayments and other current assets	8	6,065,505,361	4,552,061,352	4,194,661,169
		26,206,682,145	30,085,894,126	33,823,628,675
Non-current asset classified as held for sale	9	-	237,832,347	-
Total Current Assets		26,206,682,145	30,323,726,473	33,823,628,675
NON-CURRENT ASSETS				
Receivables	5	1,516,846,742	128,161,471	156,093,837
Contract assets	17	28,310,172,083	18,764,293,954	13,235,300,241
Investments in subsidiaries, associates and a joint venture	9	16,408,743,423	11,581,398,627	9,345,133,685
Property and equipment - net	10	10,611,157,910	8,191,763,954	6,702,180,711
Right-of-use assets - net	11	842,783,490	867,255,016	887,603,255
Investment properties - net	12	11,395,534,624	9,782,821,363	8,881,399,871
Other non-current assets - net	13	1,390,366,161	1,852,054,722	1,539,183,844
Total Non-current Assets		70,475,604,433	51,167,749,107	40,746,895,444
TOTAL ASSETS		P 96,682,286,578	P 81,491,475,580	P 74,570,524,119
<u>LIABILITIES AND EQUITY</u>				
CURRENT LIABILITIES				
Interest-bearing loans and borrowings	14	P 5,816,060,701	P 8,542,986,476	P 10,443,628,947
Bonds payable	15	2,763,194,048	-	-
Trade and other payables	16	16,149,098,363	12,905,397,550	14,223,925,249
Contract liabilities	17	222,125,928	120,537,515	164,891,955
Customers' deposits	17	219,198,873	78,940,908	135,710,979
Lease liabilities	11	54,676,118	41,197,368	37,685,586
Total Current Liabilities		25,224,354,031	21,689,059,817	25,005,842,716
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings	14	31,742,059,242	28,859,671,939	25,514,057,795
Bonds payable	15	11,111,294,563	4,964,768,926	4,947,822,521
Trade and other payables	16	577,281,561	550,010,939	193,517,068
Lease liabilities	11	984,286,718	968,523,528	939,780,431
Post-employment defined benefit obligation	23	59,610,163	40,309,395	10,395,914
Deferred tax liabilities - net	24	4,316,766,463	3,914,255,188	3,499,919,259
Total Non-current Liabilities		48,791,298,710	39,297,539,915	35,105,492,988
Total Liabilities		74,015,652,741	60,986,599,732	60,111,335,704
EQUITY				
Capital stock	26	3,627,732,337	3,627,732,337	3,623,451,997
Additional paid-in capital		5,855,925,221	5,855,925,221	1,608,917,974
Share options outstanding		7,059,255	5,681,640	4,311,977
Treasury stock, at cost		(732,664,604)	(732,664,604)	(732,664,604)
Revaluation reserves		(43,922,873)	(34,689,808)	(18,288,224)
Retained earnings		13,952,504,501	11,782,891,062	9,973,459,295
Total Equity		22,666,633,837	20,504,875,848	14,459,188,415
TOTAL LIABILITIES AND EQUITY		P 96,682,286,578	P 81,491,475,580	P 74,570,524,119

See Notes to Financial Statements.

CEBU LANDMASTERS, INC.
(A Subsidiary of A B Soberano Holdings Corp.)
STATEMENTS OF PROFIT OR LOSS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2025	2024 (As Restated – see Note 2)	2023
REVENUES	17			
Sale of real estates		P 10,330,676,981	P 8,948,104,390	P 9,986,792,668
Interest income from real estate sales		1,286,975,609	1,064,215,526	1,104,059,468
Rental		157,282,662	113,826,161	101,513,196
Management fees		172,417,914	146,650,022	154,376,800
		11,947,353,166	10,272,796,099	11,346,742,132
COST OF SALES AND SERVICES	18	(5,672,770,056)	(4,257,943,888)	(5,090,152,817)
GROSS PROFIT		6,274,583,110	6,014,852,211	6,256,589,315
OPERATING EXPENSES	19	(2,754,458,629)	(2,377,889,044)	(1,968,974,042)
OTHER OPERATING INCOME	20	894,472,713	729,437,482	363,652,839
OPERATING PROFIT		4,414,597,194	4,366,400,649	4,651,268,112
SHARE IN NET PROFIT OF SUBSIDIARIES, ASSOCIATES AND A JOINT VENTURE	9	1,233,574,740	1,075,855,465	1,249,633,091
FINANCE COSTS	21	(1,875,162,436)	(1,880,107,688)	(2,128,229,311)
FINANCE INCOME	22	55,661,201	32,037,902	43,989,261
OTHER LOSSES - Net	20	(28,016,817)	(23,812,992)	(3,233,017)
PROFIT BEFORE TAX		3,800,653,882	3,570,373,336	3,813,428,136
TAX EXPENSE	24	(667,897,478)	(628,095,254)	(979,986,307)
NET PROFIT		P 3,132,756,404	P 2,942,278,082	P 2,833,441,829

See Notes to Financial Statements.

CEBU LANDMASTERS, INC.
(A Subsidiary of A B Soberano Holdings Corp.)
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	<u>Notes</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
NET PROFIT		P 3,132,756,404	P 2,942,278,082	P 2,833,441,829
OTHER COMPREHENSIVE LOSS				
Item that will not be reclassified subsequently to profit or loss				
Loss on remeasurements of post-employment defined benefit plan	23	(12,310,753)	(21,868,779)	(5,836,964)
Tax income	24	<u>3,077,688</u>	<u>5,467,195</u>	<u>1,459,241</u>
		(<u>9,233,065</u>)	(<u>16,401,584</u>)	(<u>4,377,723</u>)
TOTAL COMPREHENSIVE INCOME		P <u>3,123,523,339</u>	P <u>2,925,876,498</u>	P <u>2,829,064,106</u>

See Notes to Financial Statements.

CEBU LANDMASTERS, INC.
(A Subsidiary of A B Soberano Holdings Corp.)
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Capital Stock (see Note 26)	Additional Paid-in Capital (See Note 26)	Share Options Outstanding (See Note 26)	Treasury Stock, at Cost (See Note 26)	Revaluation Reserves (See Note 26)	Retained Earnings (See Note 26)			
						Appropriated	Unappropriated	Total	Total
Balance at January 1, 2025	P 3,627,732,337	P 5,855,925,221	P 5,681,640	(P 732,664,604)	(P 34,689,808)	P 3,223,719,310	P 8,559,171,752	P 11,782,891,062	P 20,504,875,848
Transactions with owners:									
Cash dividend	-	-	-	-	-	-	(963,142,965)	(963,142,965)	(963,142,965)
Stock option granted	-	-	1,377,615	-	-	-	-	-	1,377,615
	-	-	1,377,615	-	-	-	(963,142,965)	(963,142,965)	(961,765,350)
Appropriation of retained earnings									
Appropriation of retained earnings	-	-	-	-	-	3,236,320,375	(3,236,320,375)	-	-
Reversal of appropriations during the year	-	-	-	-	-	(1,693,661,346)	1,693,661,346	-	-
	-	-	-	-	-	1,542,659,029	(1,542,659,029)	-	-
Total comprehensive income for the year:									
Net profit for the year	-	-	-	-	-	-	3,132,756,404	3,132,756,404	3,132,756,404
Other comprehensive loss	-	-	-	-	(9,233,065)	-	-	-	(9,233,065)
	-	-	-	-	(9,233,065)	-	3,132,756,404	3,132,756,404	3,123,523,339
Balance at December 31, 2025	P 3,627,732,337	P 5,855,925,221	P 7,059,255	(P 732,664,604)	(P 43,922,873)	P 4,766,378,339	P 9,186,126,162	P 13,952,504,501	P 22,666,633,837
Balance at January 1, 2024	P 3,623,451,997	P 1,608,917,974	P 4,311,977	(P 732,664,604)	(P 18,288,224)	P 6,914,803,006	P 3,058,656,289	P 9,973,459,295	P 14,459,188,415
Transactions with owners									
Issuance of capital stock	4,280,340	4,247,007,247	1,369,663	-	-	-	-	-	4,252,657,250
Cash dividend	-	-	-	-	-	-	(1,132,846,315)	(1,132,846,315)	(1,132,846,315)
	4,280,340	4,247,007,247	1,369,663	-	-	-	(1,132,846,315)	(1,132,846,315)	3,119,810,935
Reversal of appropriations during the year	-	-	-	-	-	(3,691,083,696)	3,691,083,696	-	-
Total comprehensive income for the year									
Net profit for the year	-	-	-	-	-	-	2,942,278,082	2,942,278,082	2,942,278,082
Other comprehensive loss	-	-	-	-	(16,401,584)	-	-	-	(16,401,584)
	-	-	-	-	(16,401,584)	-	2,942,278,082	2,942,278,082	2,925,876,498
Balance at December 31, 2024	P 3,627,732,337	P 5,855,925,221	P 5,681,640	(P 732,664,604)	(P 34,689,808)	P 3,223,719,310	P 8,559,171,752	P 11,782,891,062	P 20,504,875,848
Balance at January 1, 2023	P 3,623,451,997	P 1,608,917,974	P 2,195,991	(P 732,664,604)	(P 13,910,501)	P 3,931,475,893	P 3,832,277,836	P 7,763,753,729	P 12,251,744,586
Transactions with owners									
Cash dividend	-	-	-	-	-	-	(623,736,263)	(623,736,263)	(623,736,263)
Stock option granted	-	-	2,115,986	-	-	-	-	-	2,115,986
	-	-	2,115,986	-	-	-	(623,736,263)	(623,736,263)	(621,620,277)
Appropriation of retained earnings									
Appropriations during the year	-	-	-	-	-	6,324,658,043	(6,324,658,043)	-	-
Reversal of appropriations during the year	-	-	-	-	-	(3,341,330,930)	3,341,330,930	-	-
	-	-	-	-	-	2,983,327,113	(2,983,327,113)	-	-
Total comprehensive income for the year									
Net profit for the year	-	-	-	-	-	-	2,833,441,829	2,833,441,829	2,833,441,829
Other comprehensive loss	-	-	-	-	(4,377,723)	-	-	-	(4,377,723)
	-	-	-	-	(4,377,723)	-	2,833,441,829	2,833,441,829	2,829,064,106
Balance at December 31, 2023	P 3,623,451,997	P 1,608,917,974	P 4,311,977	(P 732,664,604)	(P 18,288,224)	P 6,914,803,006	P 3,058,656,289	P 9,973,459,295	P 14,459,188,415

See Notes to Financial Statements.

CEBU LANDMASTERS, INC.
(A Subsidiary of A B Soberano Holdings Corp.)
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2025	2024 (As Restated – see Note 2)	2023 (As Restated – see Note 2)
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		P 3,800,653,882	P 3,570,373,336	P 3,813,428,136
Adjustments for:				
Interest expense on:	21			
Loans		1,586,178,296	1,646,872,202	1,991,030,749
Bonds		152,789,262	131,374,423	66,856,868
Lease liabilities		69,540,853	68,238,917	65,882,750
Share in net loss (profit) of subsidiaries, associates and a joint venture	9	(1,233,574,740)	(1,075,855,465)	(1,249,633,091)
Gain on sale of investment properties	12	(532,899,369)	(383,161,574)	-
Depreciation and amortization	19	164,351,010	137,055,472	131,323,468
Interest income	22	(28,969,252)	(32,037,902)	(43,989,261)
Share option benefits expense	26	1,377,615	1,369,663	2,115,986
Loss (gain) on sale of property and equipment	10	2,837	(1,368,905)	17,411
Operating profit before working capital changes		3,979,450,394	4,062,860,167	4,777,033,016
Decrease (increase) in receivables		(960,961,828)	(433,265,631)	981,471,088
Increase in contract assets		(1,811,411,897)	(1,483,216,720)	(7,331,000,325)
Decrease in real estate inventories		37,055,186	684,915,708	434,223,846
Decrease (increase) in deposits on land for future development		(754,165,850)	-	121,996,729
Increase in prepayments and other current assets		(1,513,444,009)	(357,400,182)	(1,854,036,753)
Decrease (increase) in other non-current assets		248,910,480	(317,523,187)	(449,046,103)
Increase in trade and other payables		2,449,592,626	113,317,882	2,793,055,155
Increase (decrease) in contract liabilities		101,588,413	(44,354,440)	(124,474,702)
Increase (decrease) in customers' deposits		140,257,965	(56,770,071)	58,714,410
Increase (decrease) in post-employment defined benefit obligation		6,990,015	8,044,702	(4,831,146)
Cash generated from (used in) operations		1,923,861,495	2,176,608,228	(596,894,785)
Cash paid for taxes		(262,308,515)	(208,292,130)	(140,808,610)
Net Cash From (Used in) Operating Activities		1,661,552,980	1,968,316,098	(737,703,395)
CASH FLOWS FROM INVESTING ACTIVITIES				
Additional investments in subsidiaries, associates and a joint venture	9	(4,161,937,709)	(1,601,491,824)	(1,336,593,907)
Acquisitions of property and equipment	10, 13	(1,261,502,314)	(706,644,095)	(1,361,684,021)
Dividends received	9	806,000,000	203,250,000	106,220,000
Acquisitions of investment properties	12, 13	(606,006,717)	(1,298,536,337)	(752,900,544)
Collections of advances to related parties	25	467,896,861	938,918,595	983,991,952
Advances to related parties	25	(316,941,613)	(904,654,024)	(201,003,147)
Proceeds from sale of investment properties	12	37,638,160	16,395,666	-
Interest received	13	28,969,252	32,037,902	43,989,261
Proceeds from sale of property and equipment	10	1,923,208	2,740,603	16,474
Acquisitions of computer software	13	-	(1,196,947)	(1,914,986)
Net Cash Used in Investing Activities		(5,003,960,872)	(3,319,180,461)	(2,519,878,918)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from availment of interest-bearing loans - net	14, 32	25,157,126,891	13,789,278,958	11,434,269,173
Repayments of interest-bearing loans	14, 32	(25,092,159,015)	(12,444,183,494)	(5,050,319,185)
Proceeds from issuances of bonds - net	15, 32	8,876,780,500	-	-
Interest paid on interest-bearing loans		(2,811,236,658)	(2,832,095,112)	(2,152,046,014)
Cash dividends paid	26	(963,142,965)	(793,439,609)	(623,736,263)
Interest paid on bonds		(618,596,933)	(352,556,540)	(337,485,051)
Payment of lease liabilities	11, 32	(40,298,913)	(41,160,078)	(36,783,822)
Proceeds from issuance of shares of stock - net	26	-	4,251,287,587	-
Net Cash From Financing Activities		4,508,472,907	1,577,131,712	3,233,898,838
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		1,166,065,015	226,267,349	(23,683,475)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		667,937,940	441,670,591	465,354,066
CASH AND CASH EQUIVALENTS AT END OF YEAR		P 1,834,002,955	P 667,937,940	P 441,670,591

Supplementary Information on Non-cash Investing and Financing Activities is disclosed in Note 33 to the Financial Statements.

See Notes to Financial Statements.

CEBU LANDMASTERS, INC.
(A Subsidiary of A B Soberano Holdings Corp.)
NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

1. GENERAL INFORMATION

1.1 Corporate Information

Cebu Landmasters, Inc. (CLI or the Company) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on September 26, 2003. CLI is presently engaged in real estate-related activities which include real estate development, sales, leasing and property management. The Company's real estate portfolio includes residential condominium and subdivisions, mixed-use developments, townships, hotels and resorts, offices, and co-living accommodations.

The Company is a subsidiary of A B Soberano Holdings Corp. (ABS). ABS is a holding company and is incorporated and domiciled in the Philippines. The registered office address and principal place of business of ABS is located at 2nd Street, Villa San Lorenzo, Quijada Street, Barangay Guadalupe, Cebu City.

On January 6, 2017, the Board of Directors (BOD) approved the Company's application for the registration of its common stocks with the SEC and application for the listing thereof in the Philippine Stock Exchange (PSE). The Company's shares were listed on the main board of the PSE on June 2, 2017 (see Note 26).

The registered office address of CLI, which is also its principal place of business, is located at 10th Floor, Park Centrale Tower, Jose Ma. Del Mar St., B2 L3, Cebu I.T. Park, Brgy. Apas, Cebu City, Philippines.

1.2 Subsidiaries, Associates and Joint Venture

CLI holds ownership interests in the following subsidiaries, associates and joint venture:

Entities	Note	Effective Percentage of Ownership	
		2025	2024
<i>Subsidiaries</i>			
CLI Premier Hotels Int'l. Inc. (CPH)	(a)	100%	100%
Cebu Landmasters Property Management, Inc. (CPM)	(b)	100%	100%
A.S. Fortuna Property Ventures, Inc. (ASF)	(c)	100%	100%
CLI Hotels and Resorts Inc. (CHR)	(d)	100%	100%
CLI Luzon Ventures, Inc. (CLVI)	(e)	100%	-
CLI Water, Inc. (CWI)	(f)	100%	-
CLI-LITE Panglao Inc. (CLI-LITE)	(g)	88%	88%
Ming-mori Development Corporation (MDC)	(h)	78%	78%
Sugbo Prime Estate, Inc. (SPE)	(i)	64%	64%
CLI MAC Developers, Inc. (CLI MAC)	(j)	60%	-
<i>(Forward)</i>			

Entities	Note	Effective Percentage of Ownership	
		2025	2024
<i>Subsidiaries</i>			
CLI NUD Ventures, Inc. (CLI NUD)	(k)	60%	-
BL CBP Ventures, Inc. (BL Ventures)	(l)	50%	50%
Yuson Excellence Soberano, Inc. (YES)	(m)	50%	50%
Yuson Huang Excellence Soberano, Inc. (YHES)	(n)	50%	50%
YHEST Realty and Development Corporation (YHEST)	(o)	50%	50%
CCLI Premier Hotels, Inc. (CCLI)	(p)	50%	50%
Cebu Homegrown Developers, Inc. (CHDI)	(q)	50%	50%
YHES Premier Hotels Inc. (YHESPH)	(r)	50%	50%
Cebu BL-Ramos Ventures Inc. (CBLRV)	(s)	50%	50%
GGTT Realty Corporation (GGTT)	(t)	50%	50%
Mivesa Garden Residences, Inc. (MGR)	(u)	45%	45%
El Camino Developers Cebu, Inc. (El Camino)	(v)	35%	35%
<i>Associates</i>			
Iloilo Global City Corporation (IGCC)	(w)	43%	43%
ICOM Air Corporation (ICOM)	(x)	33%	33%
Magspeak Nature Park, Inc. (Magspeak)	(y)	25%	25%
<i>Joint venture</i>			
CLI NUD	(k)	-	30%

All of the subsidiaries, associates and joint venture are incorporated in the Philippines. The subsidiaries, associates and joint venture except CPH, CPM, CHR, CWI, SPE, CCLI, YHESPH and ICOM, are in the same line of business as CLI. A brief description of these entities follows:

- (a) CPH was incorporated in 2016 as a wholly owned subsidiary of CLI. CPH is engaged in the real estate and hotel management business. The principal place of business of CPH is located in Cebu City.
- (b) CPM was incorporated in 2017 as a wholly owned subsidiary of CLI. CPM is engaged in the management of condominium corporations and housing associations affiliated with CLI. The principal place of business of CPM is located in Cebu City.
- (c) ASF was incorporated in 2017 as a joint venture where CLI initially held 40% ownership interest. CLI acquired all the ownership interest of its business partners at the end of 2017 which made ASF its wholly owned subsidiary. The principal place of business of ASF is located in Cebu City.
- (d) CHR was incorporated in 2022 as a wholly owned subsidiary of CLI. It is engaged in managing the Company's hotel projects. Its principal place of business is located in Cebu City.
- (e) CLVI was incorporated in 2025 as a wholly owned subsidiary of CLI, with the purpose of developing residential and mixed-use projects in Luzon. Its principal place of business is located in Cebu City. As at December 31, 2025, CLVI has yet to start commercial operations.

- (f) CWI was incorporated in 2025 as a wholly owned subsidiary of CLI to supply water to CLI's various projects. The principal place of business of CWI is located in Cebu City. As at December 31, 2025, CWI has yet to start commercial operations.
- (g) CLI-LITE was incorporated in 2021 as an undertaking by CLI and two other corporations for the development of a mixed-use project in Panglao Island, Bohol, which includes residential condominiums and a potential hotel component. The principal place of business of CLI-LITE is located in Cebu City.
- (h) MDC was incorporated in 2013 as an undertaking between CLI and four other entities for the development of an economic business district. The principal place of business of MDC is located in Cebu City. As at December 31, 2025, MDC has yet to start commercial operations.
- (i) SPE was incorporated in 2019 as a one person corporation and was converted to an ordinary stock corporation after entering into a joint venture with CLI in 2021, for the development of a dormitory with retail and warehouse spaces. The principal place of business of SPE is located in Cebu City.
- (j) CLI MAC was incorporated in 2025 as an undertaking between CLI and Martinez Agricultural Corporation for the development of mixed-used condominium project in Cebu City. CLI exercised control over CLI MAC through its authority to direct operational activities and govern strategic and financial policies. The principal place of business is located in Cebu City. As at December 31, 2025, CLI MAC has yet to commence commercial operations.
- (k) CLI NUD was incorporated in 2024 as a joint venture between CLI and NTT UD Asia Pte. Ltd. (NTTUDA) for the development of mixed-use condominium project in Cebu City. In 2025, CLI exercised control over CLI NUD through its authority to direct operational activities and govern strategic and financial policies [see Notes 3.1(l) and 10.3]. CLI NUD started its commercial operations in August 2025. The principal place of business of CLI NUD is located in Cebu City.
- (l) BL Ventures was incorporated by CLI and Borromeo Bros. Estate, Inc. (BBEI) to construct and operate Latitude Corporate Center. The principal place of business of BL Ventures is located in Cebu City.
- (m) YES was incorporated by CLI and Yuson Comm. Investments, Inc. to construct and operate Messatiera Garden Residences in Davao. The principal place of business of YES is located in Davao City.
- (n) YHES was incorporated in 2017 as an undertaking among CLI, Yuson Strategic Holdings, Inc., and Davao Filandia Realty Corp. for the development of mixed-used real estate project, the Paragon Davao. The principal place of business of YHES is located in Davao City.
- (o) YHEST was incorporated in 2018 as an undertaking among CLI and five corporations for the development of a central business district located at Matina, Davao. The principal place of business of YHEST is located in Davao City.

- (p) CCLI was incorporated in 2018 as an undertaking between CLI and Capitaine, Inc. for the development of Citadines hotel in Bacolod City. CCLI started its commercial operations in 2024. The principal place of business of CCLI is located in Bacolod City.
- (q) CHDI is an undertaking between CLI and Aboitiz Land, Inc. and was incorporated in 2019. CHDI is engaged in the development of a high-rise mixed-use condominium complex in Mandaue City, Cebu. The principal place of business of CHDI is located in Cebu City.
- (r) YHESPH was incorporated in 2019 as a wholly owned subsidiary of YHES that will engage in hotel business. Its ultimate parent is CLI which owns 50% of YHES. As at December 31, 2025, YHESPH has yet to start commercial operations.
- (s) CBLRV was incorporated in 2020 as an undertaking between CLI and BBEI and is engaged in the development of a mixed-use condominium tower in Cebu City. The principal place of business is located in Cebu City.
- (t) GGTT was incorporated in 2003 and is engaged to construct a residential condominium project. The principal place of business of GGTT is located in Iloilo City.
- (u) MGR was incorporated in 2017 as an undertaking by CLI and three corporations for the construction of buildings 6 and 7 of the Mivesa Garden Residences condominium. MGR is considered a subsidiary of CLI because CLI is exposed, or has rights, to variable returns from its involvement with MGR and has the ability to affect those returns due to its full control on MGR's management. The principal place of business of MGR is located in Cebu City.
- (v) El Camino was incorporated in 2016 as an undertaking between CLI and four other corporations for the development of 38 Park Avenue condominium project in Cebu City. CLI controls El Camino's operations through a shareholder agreement and is considered its parent. The principal place of business of El Camino is located in Cebu City.
- (w) IGCC was incorporated in 2023 as an undertaking between CLI and two other corporations and is engaged in the development of a mixed-use condominium tower in Iloilo City. Its principal place of business is located in Iloilo City. As at December 31, 2025, IGCC has yet to commence commercial operations.
- (x) ICOM was incorporated on December 7, 2020 as an undertaking of CLI and various individual stockholders and corporations to import aircraft(s) and to operate a transportation business in the Philippines. ICOM's principal place of business is in Iloilo City.
- (y) Magspeak was incorporated in 2011 as an undertaking among CLI and four other corporations for the development of a mountain resort to be located in Balamban, Cebu. The principal place of business of Magspeak is located in Cebu City.

1.3 Approval of Issuance of Financial Statements

The financial statements of the Company as at and for the year ended December 31, 2025 (including the comparative financial statements as at December 31, 2024 and for the years ended December 31, 2024 and 2023, and the corresponding figures as at January 1, 2024), were authorized for issue by the BOD on April 7, 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in preparing these financial statements are summarized below and in the succeeding pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The financial statements of the Company were prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The financial statements have been prepared using the measurement bases specified by the relevant accounting frameworks for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) Presentation of Financial Statements

The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements*. The Company presents a statement of comprehensive income separately from the statement of profit or loss.

The Company presents a third statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively, or makes a retrospective restatement or reclassification of items that has a material effect on the information in the statement of financial position at the beginning of the preceding period. The related notes to the third statement of financial position are not required to be disclosed.

(i) Reclassification of Properties Used in Hotel Operations

In 2025, the Company reclassified certain properties relating to prior periods to align their presentation with the Company's policy classifying properties based on their intended use once sufficient information is available and the associated costs have been incurred to determine the asset's actual use. This policy requires classification to reflect the actual use of the asset rather than the original intent at initial acquisition.

The affected properties form part of mixed-use developments and were previously presented as investment properties when they were initially intended to be held for lease. Based on updated information on their actual utilization in hotel operations, the Company reclassified these properties as property and equipment to more faithfully reflect their current use. The revised classification is consistent with the classification principles under PAS 40, *Investment Property*, and PAS 16, *Property, Plant and Equipment*.

In accordance with PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*, the reclassification was accounted for retrospectively as it relates to the refinement of a prior period classification of assets in prior periods rather than a change in accounting policy or estimate. The retrospective application had a material effect on the presentation of the Company's statement of financial position as at January 1, 2024. Accordingly, comparative information was restated, and a third statement of financial position has been presented, as required under PAS 1.

(ii) Reclassification of Properties sold

In 2024, the Company reclassified certain properties amounting to P470,900,926 from investment property to real estate inventories. Based on management's reassessment, the prior classification of these properties as investment property was no longer appropriate. Although the properties were initially reclassified to inventories, they were sold without the Company undertaking substantive actions that would demonstrate an intention to develop the properties for sale.

Accordingly, the reclassification represents a correction of the prior classification rather than a change in accounting policy or estimate. In line with PAS 8, the reclassification was accounted for retrospectively. As the properties were sold within the same reporting period in 2024, the retrospective adjustment affected the presentation of the related transaction in the 2024 statement of profit or loss, which was restated to reflect the appropriate classification and presentation of the sale.

The retrospective application of this reclassification did not have an impact on the Company's statement of financial position as at January 1, 2024.

(iii) Reclassification of Accrual Adjustments Related to Investment Properties

In 2025, the Company identified a prior-period presentation adjustment in the statement of cash flows relating to the movements in investment properties.

In prior years, certain accrual-related adjustments associated with investment properties were presented as reclassification to real estate inventories. Upon further review, management determined that these adjustments represent accrual adjustments arising from investment properties during the year and should have been reflected as adjustments to additions of investment properties, rather than as reclassifications to real estate inventories, in the statements of cash flows.

In accordance with PAS 8, the comparative statements of cash flows were retrospectively restated to reflect the revised presentation of the affected investing activities. The restatement resulted in the reclassification of amounts under movements in real estate inventories and trade and other payables in the statements of cash flows amounting to P1,297,935,802 and P851,934,567 in 2024 and 2023, respectively. The restatement affected only the classification of cash flow line items and did not impact the Company's total cash flows in prior years.

The retrospective application of this reclassification did not have an impact on the Company's statement of financial position as at January 1, 2024.

These reclassifications relate to presentation and classification and do not change the Company's total assets, total liabilities, or total equity. They also do not affect the total cash flows. The adjustments were made to align the classification and presentation of affected balances with the applicable accounting standards based on updated information on intended use and on the nature of the transaction.

Presented below is the analysis of the effects of the prior period reclassifications in the statement of financial position as at December 31, 2024 and January 1, 2024.

<i>(Amounts in PHP)</i>	Note	As Previously Reported	Reclassifications	As Restated
<u>December 31, 2024</u>				
<i>Change in assets :</i>				
Property and equipment - net	2.1(b)(i)	7,447,881,660	743,882,294	8,191,763,954
Investment properties - net	2.1(b)(i)	10,526,703,657	<u>(743,882,294)</u>	9,782,821,363
			<u>-</u>	
<u>January 1, 2024</u>				
<i>Change in assets :</i>				
Property and equipment - net	2.1(b)(i)	6,012,622,261	689,558,450	6,702,180,711
Investment properties - net	2.1(b)(i)	9,570,958,321	<u>(689,558,450)</u>	8,881,399,871
			<u>-</u>	

Presented below is the analysis of the effects of the prior period reclassifications in the 2024 statement of profit or loss.

<i>(Amounts in PHP)</i>	Note	As Previously Reported	Reclassifications	As Restated
Sale of real estates	2.1(b)(ii)	9,802,166,890	(854,062,500)	8,948,104,390
Cost of sales and services	2.1(b)(ii)	(4,728,844,814)	470,900,926	(4,257,943,888)
Other operating income	2.1(b)(ii)	346,275,908	<u>383,161,574</u>	729,437,482
			<u>-</u>	

Presented below is the analysis of the effects of the prior period reclassifications in the 2024 and 2023 statements of cash flows.

<i>(Amounts in PHP)</i>	Note	As Previously Reported	Reclassifications	As Restated
<u>2024</u>				
<i>Changes in cash flows from operating activities:</i>				
Gain on sale of investment properties	2.1(b)(ii)	-	(383,161,574)	(383,161,574)
Increase in receivables	2.1(b)(ii)	(1,270,932,465)	837,666,834	(433,265,631)
Decrease in real estate inventories	2.1(b)(ii), 2.1(b)(iii)	2,453,752,436	(1,768,836,728)	684,915,708
Decrease in trade and other payables	2.1(b)(iii)	(1,184,617,920)	<u>1,297,935,802</u> <u>(16,395,666)</u>	113,317,882
<i>Changes in cash flows from investing activities:</i>				
Proceeds from sale of investment properties	2.1(b)(ii)	-	16,395,666	16,395,666
Acquisitions of property and equipment	2.1(b)(ii)	(652,320,250)	(54,323,845)	(706,644,095)
Acquisitions of investment properties	2.1(b)(ii)	(1,352,860,182)	<u>54,323,845</u> <u>16,395,666</u>	(1,298,536,337)
Impact on cash and cash equivalents			<u>-</u>	
<u>2023</u>				
<i>Changes in cash flows from operating activities:</i>				
Increase in trade and other payables	2.1(b)(iii)	1,941,120,588	851,934,567	2,793,055,155
Decrease in real estate inventories	2.1(b)(iii)	1,286,158,413	<u>(851,934,567)</u> <u>-</u>	434,223,846
<i>Changes in cash flows from investing activities:</i>				
Acquisitions of property and equipment	2.1(b)(ii)	(1,272,143,177)	(89,540,844)	(1,361,684,021)
Acquisitions of investment properties	2.1(b)(ii)	(842,441,388)	<u>89,540,844</u> <u>-</u>	(752,900,544)
Impact on cash and cash equivalents			<u>-</u>	

As a result of these reclassifications, the supplemental information on non-cash investing activities has been updated to reflect the non-cash nature of these transactions [see Note 33(c), (d) and (g)].

(c) *Functional and Presentation Currency*

These financial statements are presented in Philippine pesos, the Company's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the financial statements of the Company are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the Company operates.

2.2 Adoption of New and Amended PFRS Accounting Standards

(a) *Effective in 2025 that is Relevant to the Company*

The Company adopted for the first time amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*, which are mandatorily effective for annual periods beginning on or after January 1, 2025. The amendments require entities to assess whether a currency is exchangeable and to determine a spot exchange rate when exchangeability is lacking. These amendments also mandate the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendments had no significant impact on the financial statements of the Company.

(b) *Effective Subsequent to 2025 but not Adopted Early*

There are new standards and amendments to existing standards effective for annual periods subsequent to 2025, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have significant impact on the Company's financial statements:

- (i) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)
- (ii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The new standard, however, does not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.

- (iv) PFRS 10 and PAS 28 (Amendments), *Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

2.3 *Separate Financial Statements and Investments in Subsidiaries, Associates and a Joint Venture*

These financial statements are prepared as the Company's separate financial statements. The Company also prepares consolidated financial statements which is available to the public through the disclosures section of the PSE Edge and Company's website.

The Company assesses whether or not it controls an entity if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Investments in subsidiaries, associates and joint venture are initially recognized at cost and subsequently accounted for using the equity method.

2.4 *Financial Instruments*

(a) *Financial Assets*

Regular purchases and sales of financial assets are recognized on their trade date (i.e., the date that the Company commits to purchase or sell the asset).

(i) *Classification, Measurement and Reclassification of Financial Assets*

The Company's financial assets are all categorized as financial assets at amortized cost.

(ii) *Impairment of Financial Assets*

The expected credit losses (ECL) on receivables and contract assets are estimated by a probability weighted estimate of credit losses over the expected life of the financial assets. These assets are assessed for impairment on a collective basis based on shared credit risk characteristics.

For other financial assets, if the credit risk has not increased significantly since initial recognition, the Company measures and provides for credit losses that are expected to result from default events that are possible within 12 months after the end of the reporting period, except when there has been a significant increase in credit risk on the financial asset since initial recognition.

(b) *Financial Liabilities*

Financial liabilities include interest-bearing loans and borrowings, bonds payable, lease liabilities and trade and other payables [except government-related obligations, advance rental and output value-added tax (VAT)].

2.5 Non-current Assets Classified as Held for Sale

Non-current assets held for sale are measured at lower of their carrying amounts, immediately prior to their classification as held for sale, and their fair value less costs to sell.

If the criteria for classification as held for sale are no longer met, the Company shall cease to classify the asset as held for sale. In such cases, the asset is remeasured at the lower of (a) the carrying amount that would have been recognized had the asset not been classified as held for sale, adjusted for depreciation or amortization, and (b) its recoverable amount at the date of the subsequent decision not to sell.

2.6 Real Estate Inventories

Costs of real estate inventories are assigned using specific identification of their individual costs.

The Company recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known. Any impairment loss from a real estate project is charged to operations during the period in which the loss is determined.

Repossessed property arising from sales cancellation is recognized at cost.

2.7 Property and Equipment

Property and equipment are carried at acquisition or construction cost less subsequent depreciation, amortization and any impairment losses.

Depreciation and amortization are computed on the straight-line basis over the estimated useful lives of the assets. The depreciation and amortization periods for property and equipment, based on the above policies, are as follows:

Buildings and parking units	20 years
Transportation equipment	5 years
Operating equipment	3-5 years
Furniture and fixtures	2-5 years

Leasehold improvements are amortized over their expected useful lives of five years (determined by reference to comparable assets owned) or the term of lease, whichever is shorter.

Construction in progress represents costs incurred, including applicable borrowing costs, for hotel and resort projects that are still under development. These assets are not depreciated until they are completed and available for use.

2.8 Investment Properties

Properties held for lease under operating lease agreements or capital appreciation, which comprise mainly of land, buildings and condominium units, are classified as Investment Properties and carried at cost, net of accumulated depreciation and any impairment in value, except for land which is not subject to depreciation. Depreciation and amortization of investment properties are computed using the straight-line method over the estimated useful lives of the assets ranging from 20 to 50 years.

2.9 Other Non-financial Assets

Advances to subcontractors and suppliers, and deposits on land for future development are payments made for goods or services to be received in the future and are accounted for as non-financial assets in the nature of prepayments.

These amounts are classified in the statement of financial position based on the nature of the underlying asset: those related to real estate inventories are presented as current assets as they are expected to be realized within the Company's normal operating cycle, while amounts intended for the development of property and equipment, investment properties, or other non-current assets are presented as non-current assets consistent with the classification of the respective underlying asset.

2.10 Revenue and Expense Recognition

Revenue comprises revenue from sale of real properties, rentals, and management services.

The Company develops real properties such as developed land, house and lot, and condominium units. The Company often enters into contracts to sell real properties as they are being developed. The significant judgment used in determining the timing of satisfaction of the Company's performance obligation with respect to its contracts to sell real properties is disclosed in Note 3.1(b).

- (a) *Real estate sales on pre-completed real estate properties* – Revenue from real estate sales is recognized over time proportionate to the progress of the development. The Company measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development. Revenue recognized is presented as part of Sale of Real Estates in the statement of profit or loss.
- (b) *Real estate sales on completed real estate properties* – Revenue from real estate sales is recognized at point in time when the control over the real estate property is transferred to the buyer. Revenue recognized from real estate sales is presented as part of Sale of Real Estates in the statement of profit or loss.
- (c) *Rendering of management services* – Revenue from the rendering of management services is recognized over time as the services are provided to the client entities. The client entities are invoiced monthly as work progresses, which are also due upon receipt by them. Any amounts remaining unbilled at the end of a reporting period are presented in the statement of financial position as receivables as only the passage of time is required before payment of these amounts will be due.

For tax reporting purposes, a modified basis of computing the taxable income for the year based on collections from real estate sales is used by the Company.

Incremental costs of obtaining a contract to sell real property to customers are recognized as Deferred commissions and are subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized. The Company presents Deferred commissions as part of Prepayment and Other Current Assets when it is expected to be expensed within 12 months after the balance sheet date. Any remaining balance is presented as part of Other Non-current Assets.

Other costs and expenses are recognized in profit or loss upon utilization of services or receipt of goods or at the date they are incurred. Finance costs are reported on an accrual basis except capitalized borrowing costs.

Under its contracts with customers, the Company recognizes Contract receivables, which is presented under Receivables account, when it has an unconditional right to payment for the total consideration upon the completion of the development of the property sold. Any rights to consideration recognized by the Company as it develops the property are presented as Contract Assets in the statement of financial position.

Contract assets are subsequently tested for impairment in the same manner as the Company assesses impairment of its financial assets [see Note 2.4(a)(ii)].

In determining the transaction price, the Company adjusts the contract price for the effects of time value of money when the timing of payments agreed to with the customer provides either party with a significant benefit of financing the transfer of goods or services to the customer. In buyer financing arrangements where buyer payments are ahead of the development of the sold property, the Company recognizes interest expense which is presented as part of Interest Income from Real Estate Sales in the statement of profit or loss. Conversely, in seller financing arrangements where the development of the sold property is ahead of buyer payment terms, the Company recognizes interest income which is presented as part of Interest Income from Real Estate Sales in the statement of profit or loss. The significant judgment used in determining the existence of a significant financing component in the contract is disclosed in Note 3.1(d).

Any consideration received by the Company in excess of the amount for which the Company is entitled is presented as Contract Liabilities in the statement of financial position.

Sales cancellations are accounted for as contract modification. The previously recognized cumulative revenues and the related cumulative costs are reversed in profit or loss in the period in which the cancellation occurs. In addition, any difference between the carrying amount of the contract balances derecognized and the cost of the repossessed property is likewise recognized in profit or loss.

2.11 Leases

(a) The Company as Lessee

Subsequent to initial recognition, the Company depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Company accounts for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in profit or loss on a straight-line basis over the lease term.

(b) The Company as Lessor

The Company applies judgment in determining whether a lease contract is a finance or operating lease.

2.12 Employee Benefits

The Company provides post-employment benefits to employees through a defined benefit plan and defined contribution plans, and other employee benefits.

The Company's defined benefit post-employment plan covers all regular full-time employees. The pension plan is tax-qualified, non-contributory, and administered by a trustee.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Company's financial statements in accordance with PFRS Accounting Standards requires management to make judgments and estimates that affect the amounts reported in the financial statements and related notes. Judgments and estimates are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may ultimately differ from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements.

(a) Determining Existence of a Contract with Customer

In a sale of real estate properties, the Company's primary document for a contract with a customer is a signed contract to sell which is executed when the real estate property sold is completed and ready for use by customer. In cases wherein contract to sell are not executed by both parties, management determined that the combination of other signed documentations with customers, such as reservation agreement, official receipts, computation sheets and invoices, contains all the elements of a contract with the customer (i.e., approval of the contract by the parties, which has commercial substance, identification of each party's rights regarding the goods or services and the related payment terms). As part of this evaluation, the Company also assesses whether collection of the consideration is probable. [see Note 3.1(c)].

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

(b) Evaluation of Timing of Satisfaction of Performance Obligations

The Company exercises critical judgment in determining whether each performance obligation to develop properties promised in its contracts with customers is satisfied over time or at a point in time. In making this judgment, the Company considers the following:

- the asset created or enhanced as the Company performs;
- the ability of the customer to control such asset as it is being created or enhanced;
- the timing of receipt and consumption of benefits by the customer; and,
- the Company's enforceable right for payment for performance completed to date.

The Company determined that its performance obligation is satisfied over time since it does not have an alternative use of the specific property sold as it is precluded by its contract from redirecting the use of the property for a different purpose. Further, the Company has rights over payment for development completed to date as the Company can choose to complete the development and enforce its rights to full payment under its contracts even if the customer defaults on amortization payments.

On the other hand, performance obligation for completed real estate properties is satisfied at a point in time when the control over the real estate property is transferred to the buyer.

(c) Determination of Collection Threshold for Revenue Recognition

The Company uses judgment in evaluating the probability of collection of transaction price on real estate sales as a criterion for revenue recognition. The Company uses historical payment pattern of customers and number of sales cancellation in establishing a percentage of collection threshold over which the Company determines that collection of the transaction price is reasonably assured. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Company.

The Company considers that the initial and continuing investments by the buyer when reaching the set collection threshold would demonstrate the buyer's commitment to pay the total contract price. Management considers that when collections received from buyers exceed a defined threshold, the risk of contract cancellation becomes remote. Accordingly, the Company will not recognize the whole contract and no revenue will be recognized when the collection threshold is not yet reached.

(d) Determination of the Existence of Significant Financing Component in the Contract

The Company enters into real estate sales contracts offering various payment schemes to its customers. The timing of transaction price collection can significantly differ from the timing of the Company's fulfillment of its performance obligations. The Company exercises judgment in determining whether the contract terms provide a significant financing benefit to either the Company or its customers. This assessment is conducted at the inception of the contract, considering the contractual payment terms and the projected completion timeline of the related real estate development.

(e) *Determination of ECL on Receivables and Contract Assets*

The Company uses the cumulative loss rate approach to calculate ECL for receivables and contract assets. This approach considers and includes reasonable approximation of probable and estimable future losses determined by applying historical gross charge-off information (arising from cancellations and back-out sales) to forward-looking qualitative information (i.e., forecast of economic condition). Management considers title retention and repossession rights as key mitigants in assessing expected credit losses.

On the other hand, additional ECL may be calculated for certain pool of trade receivables specifically determined to have expected cash shortfall based on outstanding exposures. These generally arise from receivables which were charged off at an earlier term of the instrument since origination period.

Details about the ECL on the Company's receivables and contract assets are disclosed in Note 29.2.

(f) *Distinction Between Investment Properties and Owner-occupied Properties*

The Company determines whether a property qualifies as investment property. In making its judgment, the Company considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to other assets used in the operations.

(g) *Distinction Between Inventories and Investment Properties*

Real estate inventories comprise properties that are held for sale in the ordinary course of business. Meanwhile, investment properties comprise of land and buildings which are not occupied substantially for use by, or in the operations of, the Company, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. The Company considers management's intention over these assets in making its judgment.

(h) *Evaluation of Change in Use for Transfers to or from Investment Properties*

The Company evaluates transfers of properties to or from its investment properties by carefully assessing changes in their use (see Note 12). Such transfers are primarily driven by shifts in business plans, supported by tangible actions like obtaining necessary permits or preparing properties for sale. A change in management's intent alone is insufficient evidence to justify a transfer. Instead, the Company relies on objective and substantive indicators, considering all relevant facts and circumstances, to determine whether the properties meet the definition of the financial statement accounts. This judgment ensures that the classification aligns with the substance of the transactions and the Company's ordinary business activities.

(i) *Distinction Between Operating and Finance Leases for Contracts where the Company is the Lessor*

The Company has entered into various lease agreements. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or a finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities. Currently, its leases are all operating leases.

(j) Distinction Between Joint Operations and Joint Ventures

The Company has entered into various joint arrangements. Critical judgment was exercised by management to distinguish each joint arrangement as either joint operations or joint ventures by looking at the rights and obligations held by an entity in relation to the arrangement.

(k) Determination of Lease Term of Contracts with Renewal and Termination Options

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

For leases of land and office space, the factors that are normally the most relevant are (a) if there are significant penalties should the Company pre-terminate the contract, and (b) if any leasehold improvements are expected to have a significant remaining value, the Company is reasonably certain not to terminate the lease contract. Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

The lease term is reassessed if an option is actually exercised or not exercised or the Company becomes obliged to exercise or not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Company.

(l) Accounting for Equity Ownership Interest in Subsidiaries, Associates and Joint Ventures

In classifying its equity acquisitions as an investment in a subsidiary, associate, or joint venture, the Company evaluates whether control, significant influence, or joint control exists. Control is present when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policy decisions. Joint control exists when contractual arrangements provide the parties sharing control with collective rights over relevant activities, such that major decisions require unanimous consent.

Management exercises judgment in determining the classification of each investment based on the substance of the contractual arrangements, governance structure, and the purpose and design of the investee, including an assessment of whether the Company holds substantive rights that provide it with the ability to direct the relevant activities and make key operating and financial decisions of the investee.

Based on management's assessment, the Company has control over MGR and El Camino despite having ownership interests of 45% and 35%, respectively. Likewise, the Company has control over CLI MAC and CLI NUD despite their legal structure as joint ventures. This control is evidenced by its direction of relevant activities and decision-making power on the operations of these entities by virtue of agreements between the stockholders, which provide the Company with the ability to unilaterally direct key operating and financial decisions, while the rights of the other investors are protective in nature.

(m) Recognition of Provisions and Contingencies

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Where the possible outflow of economic resources resulting from present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to the Company that do not yet meet the recognition criteria of an asset are considered contingent assets and are therefore not recognized in the financial statements. On the other hand, any reimbursement that the Company can be virtually certain to collect from a third party in relation to the obligation is recognized as a separate asset, but not in excess of the amount of the related provision.

Judgment is exercised by management to distinguish between provisions and contingencies. The disclosures on relevant contingencies are presented in Note 27.

(n) Determination of Preferred Shares as Equity or Liability

The Company exercises judgment in determining whether its preferred shares should be classified as financial liabilities or equity instruments. This assessment considers the specific terms and conditions of each preferred share issuance, including redemption provisions, dividend rights, and whether the Company has an unconditional right to avoid delivering cash or another financial asset. Depending on these features, preferred shares are accounted for as either liabilities or equity instruments, as applicable to each issuance by the Company. The resulting classification reflects the substance of the contractual rights and obligations, with further details provided in Note 26.1 to the financial statements, and significantly affects the presentation of the Company's financial position and the recognition of the related distribution.

(o) Evaluation of Non-current Assets as Non-current Assets Held for Sale

The Company determines whether its non-current assets qualify as held for sale in accordance with PFRS 5, *Non-current Assets Held for Sale and Discontinued Operation*. The key judgments made in this assessment include (a) the expected timing of the sale; (b) the likelihood of regulatory approvals required for the sale; and (c) the intention and clear commitment of management to sell the assets.

3.2 Key Sources of Estimation Uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

(a) Revenue Recognition for Performance Obligations Satisfied Over Time

In determining the amount of revenue to be recognized for performance obligations satisfied over time, the Company measures progress on the basis of actual costs incurred relative to the total expected costs to complete such performance obligation.

Specifically, the Company estimates the total development costs with reference to the project development plan and any agreement with customers. Management regularly monitors its estimates and apply changes as necessary. A significant change in estimated costs would result in a significant change in the amount of revenue recognized in the year of change.

(b) Determination of Appropriate Discount Rate in Measuring Lease Liabilities

The Company measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using a reasonable rate deemed by management equal to the Company's incremental borrowing rate. In determining a reasonable discount rate, management considers the term of the leases, the underlying asset and the economic environment. Actual results, however, may vary due to changes in estimates brought about by changes in such factors.

(c) Determination of Appropriate Discount Rate in Measuring Significant Financing Component

When adjusting the consideration for significant financing component, an entity shall use the discount rate that would be reflected in a separate financing transaction at contract inception. Management considers the discount rate which would reflect the credit characteristics of the party receiving financing in the contract as well as any collateral or security provided by the customer or entity.

Specifically, for contracts classified as 'seller financing' the Company bases its lending rate on the rate extended to buyers who utilize its in-house financing. This lending rate is adjusted to reflect the specific circumstances of each financing transaction.

For contracts classified as 'buyer financing', the Company estimates the discount rate using a borrowing rate that would be consistent with a separate financing transaction where the Company is considered the borrower.

(d) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Management also applies judgment in the estimation of the contractual cash flows due from counterparties that the Company would expect to receive from the realization of any credit enhancements, including the discounting factor for recoveries beyond one year.

Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 29.2.

(e) Determination of Net Realizable Value of Real Estate Inventories

In determining the net realizable value of real estate inventories, management takes into account the most reliable evidence available at the dates the estimates are made. The future realization of the carrying amounts of real estate inventory as presented in Note 6, is affected by price changes in the different market segments as well as the trends in the real estate industry. These are considered key sources of estimation uncertainty and may cause significant adjustments to the Company's real estate inventories within the next financial reporting period.

Considering the Company's pricing policy, the net realizable values of real estate inventories for sale are determined to be higher than their related costs.

(f) *Estimation of Useful Lives of Property and Equipment, Investment Properties and Right-of-use Assets*

The Company estimates the useful lives of property and equipment, investment properties and right-of-use assets based on the period over which the assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

The carrying amounts of property and equipment, right-of use assets, and investment properties are analyzed in Notes 10, 11 and 12, respectively. Based on management's assessment as at December 31, 2025 and 2024, there is no change in estimated useful lives of these assets during those periods. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned.

(g) *Impairment of Non-financial Assets*

The Company's Investment Properties, Property and Equipment and other non-financial assets are subject to impairment testing.

In assessing impairment, management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

Though management believes that the assumptions used in the estimation of fair values reflected in the financial statements are appropriate and reasonable, significant changes in those assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

Management assessed that no impairment loss is required to be provided on its significant non-financial assets, particularly property and equipment, right-of-use assets and investment properties, as at December 31, 2025 and 2024.

(h) *Valuation of Post-employment Defined Benefit Obligation*

The determination of the Company's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates and salary rate increase. A significant change in any of these actuarial assumptions may generally affect the recognized expense and the carrying amount of the post-employment defined benefit obligation in the next reporting period.

The amounts of post-employment defined benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment defined benefit as well as the significant assumptions used in estimating such obligation are presented in Note 23.3.

(i) *Fair Value Measurement of Share Options*

The Company estimates the fair value of the share option by applying an option valuation model, taking into account the terms and conditions on which the share option was granted. The estimates and assumptions used are presented in Note 26.4, which include, among others, the option's time of expiration, applicable risk-free interest rate, expected dividend yield, volatility of the Company's share price. Changes in these factors can affect the fair value of share options at grant date.

Details of employee share option plan and the amount of fair value recognized is presented in Note 26.4.

(j) *Fair Value Measurement for Investment Properties*

Investment properties are measured using the cost model. The fair value of investment property held for capital appreciation and to earn rental income disclosed in the financial statements is determined by the Company based on the appraisal reports of a professional and independent appraiser.

The fair value is determined by reference to market-based evidence, which 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.

Such amount is influenced by different factors including the location and specific characteristics of the property, quantity of comparable properties in the market, and economic condition and behavior of the buying parties. A significant change in these elements may affect prices and the value of the assets being disclosed.

The fair value the Company's investment properties as at December 31, 2025 and 2024 is disclosed in Notes 12 and 30.3(c).

(k) *Determination of Realizable Amount of Deferred Tax Assets*

The Company reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the balance of deferred tax assets recognized as at December 31, 2025 and 2024 will be utilized in the succeeding years. The carrying amount of the deferred tax assets as at December 31, 2025 and 2024 is disclosed in Note 24.

4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components as at December 31:

<i>(Amounts in PHP)</i>	2025	2024
Cash on hand	5,938,700	3,725,590
Cash in banks	1,136,762,423	624,698,172
Short-term placements	691,301,832	39,514,178
	<u>1,834,002,955</u>	<u>667,937,940</u>

Cash in banks (savings and demand deposits) generally earn interest based on daily bank deposit rates.

Short-term placements are made for varying periods from 4 to 36 days and earn effective interest ranging from 1.75% to 5.50% per annum in 2025, ranging from 4.00% to 5.50% per annum in 2024, and ranging from 2.50% to 3.00% per annum in 2023.

Interest income earned from cash and cash equivalents is presented as part of Finance Income in the statements of profit or loss (see Note 22).

5. RECEIVABLES

This account includes the following:

<i>(Amounts in PHP)</i>	Notes	2025	2024
Contract receivables:	17		
Related parties	25.1, 25.5, 25.6	2,294,494,227	837,666,834
Third parties		1,829,560,004	1,388,351,983
Retention receivable		221,818,465	203,362,600
Receivable from contractors and suppliers		161,983,454	162,038,825
Rent receivable		82,505,644	67,396,957
Advances to officers and employees		71,584,375	45,374,465
Receivable from insurance		67,763,900	74,603,761
Receivable from move-in fees		57,288,018	34,236,865
Management fee receivable		14,510,500	4,302,860
Other receivables		88,037,257	75,632,561
		4,889,545,844	2,892,967,711

Receivables are presented in the statements of financial position as follows:

<i>(Amounts in PHP)</i>	2025	2024
Current	3,372,699,102	2,764,806,240
Non-current	1,516,846,742	128,161,471
	4,889,545,844	2,892,967,711

Buyers of real estate properties are given two to four years to complete the equity amortization, which ranges from 10% to 30% of the contract price of the real estate being purchased. Contract receivables, which are all covered by postdated checks, are only recognized when the collection of total transaction price is reasonably assured and the corresponding revenue is recognized. Generally, full payment by buyers of their equity amortization is followed by full settlement by the buyer's chosen financing institution of the buyer's account within 12 months. Title to real estate properties are transferred to the buyers once full payment has been made. Hence, contract receivables are fully secured by the real properties acquired by buyers.

Long-term contract receivables, which are noninterest-bearing, are receivables from buyers whose equity payments are expected to be fully paid after 12 months following the end of the reporting period. These are measured at amortized cost, which is determined by discounting future cash flows using the applicable rates of similar types of instruments. The aggregate unamortized discount on noninterest-bearing contract receivables amounts to P63,070,980 and P7,975,990 as at December 31, 2025 and 2024, respectively.

The Company has day-one loss on noninterest-bearing contract receivables, net of amortization of day one loss, amounting to P55,094,990, P2,666,907 and P3,751,674, and is presented as part of Finance Costs in the 2025, 2024 and 2023 statements of profit or loss, respectively (see Note 21).

Retention receivable represents amounts retained by Home Development Mutual Fund (HDMF) from the proceeds of loans availed by real estate buyers in accordance with HDMF Circular No. 182-A to pay off their obligations to the Company.

Advances to officers and employees are composed of advances intended for the Company's operations and are subject to liquidation.

Receivable from insurance pertains to outstanding claims filed with various insurance companies in relation to damages incurred to the insured properties of the Company.

The Company assesses an ECL when the receivables from contract with customers and other counterparties are initially recognized and updates the assessment at each reporting date based on the analysis determined by management. No allowance for ECL are required to be recognized in 2025, 2024 and 2023 (see Note 29.2).

6. REAL ESTATE INVENTORIES

This account includes the following inventories, which are all at cost.

<i>(Amounts in PHP)</i>	<u>Note</u>	<u>2025</u>	<u>2024</u>
Condominium units		309,114,726	209,186,287
Subdivision units		199,582,401	82,351,334
		508,697,127	291,537,621
Construction-in-progress (CIP):			
Land development costs		2,311,984,512	2,252,022,454
Housing costs		2,171,437,289	1,836,736,405
Condominium building costs		398,441,880	1,078,286,622
		4,881,863,681	5,167,045,481
Raw land inventory	7	574,232,257	541,568,200
		5,964,793,065	6,000,151,302

An analysis of the cost of real estate inventory included in cost of sales is presented in Note 18.

Land development costs pertain to the cost of land acquisition, and site development costs of horizontal projects and other future site projects of the Company.

Condominium building costs consist of the cost of land and the cost to construct the units of the vertical projects of the Company. Housing costs pertain to the cost of house construction for the horizontal projects of the Company.

Raw land inventory consists of parcels of land owned by the Company in various locations. These are expected to be developed into saleable condominium or subdivision units.

In 2025 and 2023, the Company reclassified certain property and equipment to real estate inventories (see Note 10). In 2024, the Company reclassified certain real estate inventories to property and equipment (see Note 10).

As at December 31, 2025 and 2024, real estate inventories totaling to P2,971,991,964 and P3,370,763,991, respectively, are used as collateral for certain interest-bearing loans and borrowings of the Company (see Note 14).

Based on management's assessment, there is no allowance for inventory write-down required to be recognized in 2025, 2024, and 2023; hence, inventories are recorded at cost as at December 31, 2025 and 2024.

7. DEPOSITS ON LAND FOR FUTURE DEVELOPMENT

Deposits on land for future development pertains to advance payments for acquisitions of certain parcels of land which are intended for future development into saleable real estate projects. These are transferred to real estate inventories upon completion of the acquisition and satisfaction of the criteria for recognition as inventory, including completion of documentation and transfer of legal title or substantially all risks and rewards, as applicable (see Note 27.4).

In 2025, the Company paid P1,070,625,038 for the acquisition of parcels of land. Of this amount, P316,459,188 was transferred to real estate inventories during the year. As at December 31, 2025, the remaining balance of P754,165,850 represents deposits on land for future development, which is presented under Current Assets in the 2025 statement of financial position. There was no similar transaction in 2024.

8. PREPAYMENTS AND OTHER CURRENT ASSETS

This account includes the following:

<i>(Amounts in PHP)</i>	Note	2025	2024
Deferred commissions	17.3	1,951,195,124	1,136,472,648
Advances to subcontractors		1,775,693,863	1,484,413,842
Prepaid taxes		830,780,249	619,044,473
Advances to suppliers		630,560,831	407,045,567
Input VAT and deferred input VAT		431,324,698	565,503,275
Short-term investments		371,788,195	285,678,275
Prepaid expenses		74,088,900	53,829,771
Others		73,501	73,501
		<u>6,065,505,361</u>	<u>4,552,061,352</u>

Advances to subcontractors and suppliers include advance payments for materials, payment of labor and overhead expenses for on-going construction of subdivision and condominium units for sale. These are applied against the progress billings of subcontractors and are classified as current assets as it is related to projects for sale.

Short-term investments pertain to escrow funds that are required to be set up in relation to the Company's compliance with the regulatory requirements for issuance of license to sell, and are restricted for use in the Company's operations. The escrow funds are significantly comprised of investments in treasury bills with maturity dates of up to 12 months, earning effective interest ranging from 5.0% to 6.5% and 3% to 6.1% per annum in 2025 and 2024, respectively. This is presented as part of Interest income on banks under Finance Income in the statements of profit or loss (see Note 22).

Prepaid expenses include advance payment for insurance and rent.

9. INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND A JOINT VENTURE/ NON-CURRENT ASSET HELD FOR SALE (NCAHFS)

This account comprises the following as at December 31:

<i>(Amounts in PHP)</i>	Note	2025	2024
Investments in subsidiaries	9.1	16,233,467,843	10,796,513,606
Investments in associates	9.2	175,275,580	152,506,039
Investment in a joint venture	9.3	-	632,378,982
		<u>16,408,743,423</u>	<u>11,581,398,627</u>

A reconciliation of the carrying amounts of investments in subsidiaries, associates and a joint venture at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	11,581,398,627	9,345,133,685
Additional investments	4,161,937,709	1,601,491,824
Reclassification from (to)		
NCAHFS	237,832,347	(237,832,347)
Share in net profit		
during the year	1,233,574,740	1,075,855,465
Dividends received	(806,000,000)	(203,250,000)
Balance at end of year	<u>16,408,743,423</u>	<u>11,581,398,627</u>

9.1 Investments in Subsidiaries

A reconciliation of the carrying amounts of the investments in subsidiaries at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	Note	2025	2024
Balance at beginning of year		10,796,513,606	9,202,644,253
Additional investments		3,991,104,493	718,384,708
Reclassification from investment in a joint venture	9.3	1,018,483,367	-
Share in net profit during the year		1,233,366,377	1,078,734,645
Dividends received	25.3	(806,000,000)	(203,250,000)
Balance at end of year		16,233,467,843	10,796,513,606

The table presents the breakdown of additional investments made by the Company to the following new and existing subsidiaries:

<i>(Amounts in PHP)</i>	Note	2025	2024
New subsidiaries:			
CLIVI		2,119,994,993	-
CLI MAC		65,000,000	-
CWI		3,000,000	-
CLI NUD (post-acquisition date)	9.3	240,000,000	-
Existing subsidiaries:			
CHDI		650,000,000	27,500,000
YHEST		602,610,000	335,000,000
CLI-LITE		180,999,500	145,000,000
CHR		129,500,000	48,000,000
CCLI		-	65,000,000
SPE		-	97,884,708
		3,991,104,493	718,384,708

In 2025, the Company subscribed to shares of newly incorporated entities, CLIVI, CLI MAC and CWI, resulting in initial capital contributions and the establishment of these entities as subsidiaries. Further in 2025, the Company obtained control of CLI NUD at the acquisition date (see Note 9.3). There was no similar transaction in 2024.

In 2025 and 2024, the capital infusions to existing subsidiaries did not result in any change in the Company's ownership interests in the respective existing subsidiaries.

9.2 Investments in Associates

A reconciliation of the carrying amounts of investments in associates at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	152,506,039	142,489,432
Additional investments	23,250,000	10,000,000
Share in net profit (loss) during the year	(480,459)	16,607
Balance at end of year	175,275,580	152,506,039

There were no dividends received from the Company's associates in 2025, 2024 and 2023.

9.3 Investment in a Joint Venture

A reconciliation of the carrying amount of investment in a joint venture (CLI NUD) at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	<u>Note</u>	2025	2024
Balance at beginning of year		632,378,982	-
Additional investments		147,583,216	873,107,116
Reclassification from (to) NCAHFS		237,832,347	(237,832,347)
Share in net profit (loss) during the year		688,822	(2,895,787)
Reclassification to investment in subsidiaries	9.1	(1,018,483,367)	-
Balance at end of year		-	632,378,982

In April 2024, CLI NUD was established as a joint venture in which CLI holds 60% interest and NTTUDA holds the remaining 40% interest [see Note 1.2(k)]. In November 2024, CLI approved a plan to sell 30% of its interest in CLI NUD. As a result, the related carrying amount of P237,832,347 was presented as Non-current Asset Held for Sale in the 2024 statement of financial position. As at December 31, 2024, the Company has total commitment to contribute capital to the joint venture amounting to P3,847,604,762, of which P873,107,116 has been paid. Further, the Company has no contingent liabilities related to the joint venture, nor has it assessed the probability of loss arising from contingent liabilities as remote.

In September 2025, the planned sale was cancelled, and the related investment was reclassified back as part of the Company's investment in a joint venture.

On October 1, 2025 (the acquisition date), CLI obtained control of CLI NUD through contractual rights under a Management Agreement, which grants CLI the ability to direct the relevant activities of CLI NUD. As a result, CLI acquired the ability to govern the financial and operating policies of CLI NUD and to obtain benefits from its activities. Accordingly, the investment was reclassified from an investment in a joint venture to investment in a subsidiary in the parent financial statements (see Note 9.1).

10. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of 2025 and 2024 are shown below.

<i>(Amounts in PHP)</i>	Building and Parking Units	Operating Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
December 31, 2025							
Cost	1,024,198,652	171,678,624	79,463,717	50,458,777	4,392,462	9,665,488,865	10,995,681,097
Accumulated depreciation and amortization	(183,723,864)	(103,301,737)	(54,266,846)	(40,181,067)	(3,049,673)	-	(384,523,187)
Net carrying amount	840,474,788	68,376,887	25,196,871	10,277,710	1,342,789	9,665,488,865	10,611,157,910
December 31, 2024 (As Restated – see Note 2)							
Cost	617,550,127	134,002,237	66,533,445	45,124,579	4,392,461	7,633,279,019	8,500,881,868
Accumulated depreciation and amortization	(139,815,097)	(85,332,317)	(46,143,704)	(34,983,306)	(2,843,490)	-	(309,117,914)
Net carrying amount	477,735,030	48,669,920	20,389,741	10,141,273	1,548,971	7,633,279,019	8,191,763,954
January 1, 2024 (As Restated – see Note 2)							
Cost	546,791,391	122,949,665	56,101,383	44,479,066	4,392,461	6,185,751,906	6,960,465,872
Accumulated depreciation and amortization	(113,442,334)	(68,471,110)	(43,808,343)	(29,926,065)	(2,637,309)	-	(258,285,161)
Net carrying amount	433,349,057	54,478,555	12,293,040	14,553,001	1,755,152	6,185,751,906	6,702,180,711

A reconciliation of the carrying amounts of property and equipment at the beginning and end of 2025, 2024 and 2023 is as follows:

<i>(Amounts in PHP)</i>	Building and Parking Units	Operating Equipment	Transportation Equipment	Furniture and Fixtures	Leasehold Improvements	Construction in Progress	Total
Balance at January 1, 2025, net of accumulated depreciation and amortization	477,735,030	48,669,920	20,389,741	10,141,273	1,548,971	7,633,279,019	8,191,763,954
Additions	18,663,483	39,898,731	14,846,272	5,334,199	-	2,420,239,089	2,498,981,774
Disposals	-	(10,045)	(1,916,000)	-	-	-	(1,926,045)
Reclassifications	387,985,043	(1,652,749)	-	-	-	(388,029,243)	(1,696,949)
Depreciation and amortization for the year	(43,908,768)	(18,528,970)	(8,123,142)	(5,197,762)	(206,182)	-	(75,964,824)
Balance at December 31, 2025, net of accumulated depreciation and amortization	840,474,788	68,376,887	25,196,871	10,277,710	1,342,789	9,665,488,865	10,611,157,910
Balance at January 1, 2024, net of accumulated depreciation and amortization	433,349,057	54,478,555	12,293,040	14,553,001	1,755,152	6,185,751,906	6,702,180,711
Additions (As Restated – see Note 2.1)	34,099,455	11,526,617	15,466,569	645,513	-	1,481,673,289	1,543,411,443
Disposals	-	(26,008)	(1,345,690)	-	-	-	(1,371,698)
Reclassifications	36,659,280	-	-	-	-	(34,146,176)	2,513,104
Depreciation and amortization for the year	(26,372,762)	(17,309,244)	(6,024,178)	(5,057,241)	(206,181)	-	(54,969,606)
Balance at December 31, 2024, net of accumulated depreciation and amortization (As Restated – see Note 2.1)	477,735,030	48,669,920	20,389,741	10,141,273	1,548,971	7,633,279,019	8,191,763,954
Balance at January 1, 2023, net of accumulated depreciation and amortization	284,127,437	58,863,532	13,347,028	9,749,263	1,937,525	4,308,809,072	4,676,833,857
Additions (As Restated – see Note 2.1)	175,775,427	12,009,288	3,814,501	9,383,255	22,321	1,876,942,834	2,077,947,626
Disposals	-	(33,885)	-	-	-	-	(33,885)
Reclassifications	(2,003,261)	-	-	-	-	-	(2,003,261)
Depreciation and amortization for the year	(24,550,546)	(16,360,380)	(4,868,489)	(4,579,517)	(204,694)	-	(50,563,626)
Balance at December 31, 2023, net of accumulated depreciation and amortization (As Restated – see Note 2.1)	433,349,057	54,478,555	12,293,040	14,553,001	1,755,152	6,185,751,906	6,702,180,711

Depreciation and amortization expense on property and equipment is presented as part of Operating Expenses in the statements of profit or loss (see Note 19).

In 2025, 2024, and 2023, the Company disposed certain property and equipment with carrying amounts of P1,926,045, P1,371,698, and P33,885, respectively, for P1,923,208, P2,740,603, and P16,474, respectively. The related gain or loss on sale of property and equipment is presented as part of Other Losses in the statements of profit or loss (Note 20.2).

In 2025 and 2023, the Company reclassified property and equipment with carrying amounts of P1,696,949 and P2,003,261 to real estate inventories as these properties are now held for sale (see Note 6). In 2024, the Company reclassified real estate inventory and investment property to Building with carrying amounts of P2,200,604 and P312,500, respectively, as these properties are currently being used as staff houses for the Company's employees (see Notes 6 and 12).

Borrowing costs that are capitalized as part of property and equipment amounted to P1,127,202,861, P806,119,068 and P515,412,919 in 2025, 2024 and 2023, respectively, which represents the allocated borrowing costs incurred on loans, corporate notes and bonds obtained to fund the construction projects (see Notes 14 and 15).

Borrowing costs are capitalized when they are directly attributable to the acquisition or construction of qualifying assets. Capitalization starts when expenditures and borrowing costs are incurred and activities necessary to prepare the asset for its intended use are in progress, and it ceases when the asset is substantially ready for its intended use.

Certain land, building, office equipment, furniture and fixtures and construction in progress with an aggregate carrying amount of P9,027,186,327 and P6,568,090,991 as at December 31, 2025 and 2024, respectively, are used as collateral for certain interest-bearing loans of the Company (see Note 14.1).

As at December 31, 2025 and 2024, the cost of the Company's fully-depreciated property and equipment that are still used in operations amounted to P139,202,861 and P119,926,568, respectively.

11. LEASES

The Company entered into lease contracts, as lessee, for leases of land. With the exception of short-term leases and leases of low-value underlying assets, each lease is presented in the statements of financial position as Right-of-use Assets and the corresponding obligation, as Lease Liabilities. Variable lease payments, which do not depend on an index or a rate are excluded from the initial measurement of the lease liability and asset.

Leases generally restrict the use of the underlying assets to the Company, unless subleasing is contractually permitted. Leases are generally non-cancellable, or may only be cancelled by incurring a substantive termination fee, as applicable to each contract.

Under the lease contracts, the Company is prohibited from selling or pledging the underlying leased assets as security. For the lease on the land, the Company must insure all the improvements made on the property.

The table below presents a summary of the Company's leasing activities for parcels of land, which are recognized as right-of-use assets in the statements of financial position.

	Number of right-of-use assets leased	Remaining Lease term	Number of leases with extension option	Number of leases with purchase option	Number of leases with termination option
December 31, 2025	4	18 to 35 years	-	-	-
December 31, 2024	4	19 to 36 years	-	-	-

11.1 Right-of-use Assets

The carrying amounts of the Company's right-of-use assets as at December 31, 2025 and 2024 and the movements during the year are shown as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Cost		
Balance at beginning of year	985,514,580	980,338,540
Additions	-	5,176,040
Balance at end of year	<u>985,514,580</u>	<u>985,514,580</u>
Accumulated amortization		
Balance at beginning of year	118,259,564	92,735,285
Amortization	24,471,526	25,524,279
Balance at end of year	<u>142,731,090</u>	<u>118,259,564</u>
Carrying amount	<u>842,783,490</u>	<u>867,255,016</u>

11.2 Lease Liabilities

Lease liabilities presented in the statements of financial position as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current	54,676,118	41,197,368
Non-current	<u>984,286,718</u>	<u>968,523,528</u>
	<u>1,038,962,836</u>	<u>1,009,720,896</u>

The contracts of lease on land do not provide for any future lease termination and extension options.

The lease liabilities are secured by the related underlying assets. The undiscounted maturity analysis of lease liabilities is presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Gross payments		
Within one year	54,676,118	41,197,368
From one to two years	55,793,621	54,676,118
From two to three years	56,693,315	55,793,620
From three to four years	57,876,137	56,693,315
From four to five years	76,909,569	57,876,137
More than five years	<u>3,016,557,906</u>	<u>3,093,467,476</u>
	<u>3,318,506,666</u>	<u>3,359,704,034</u>
Total finance charges	<u>(2,279,543,830)</u>	<u>(2,349,983,138)</u>
Net present value	<u>1,038,962,836</u>	<u>1,009,720,896</u>

11.3 Lease Payments Not Recognized as Liabilities

The Company has elected not to recognize a lease liability for short-term leases or for leases of low-value assets. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred. The expense relating to short-term leases and low-value assets is presented as Rent under Operating Expenses in the statements of profit or loss (see Note 19).

11.4 Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect of leases amounted to P40,298,913, P41,160,078, and P36,783,822 in 2025, 2024 and 2023, respectively (see Note 32). The interest expense in relation to the lease liabilities are presented as part of Interest expense on lease liabilities under Finance Costs in the statement of profit or loss (see Note 21).

12. INVESTMENT PROPERTIES

The Company's investment properties include condominium units and retail building. The gross carrying amounts and accumulated depreciation of investment properties at the beginning and end of 2025 and 2024 are shown below.

<i>(Amounts in PHP)</i>	Retail Building	Condominium Units	Parking Units	Constructions in Progress	Total
December 31, 2025					
Costs	1,253,511,793	804,566,616	90,091,804	9,606,734,012	11,754,904,225
Accumulated depreciation	(148,348,064)	(195,931,425)	(15,090,112)	-	(359,369,601)
Carrying amount	1,105,163,729	608,635,191	75,001,692	9,606,734,012	11,395,534,624
December 31, 2024					
(As Restated – see Note 2.1)					
Costs	819,261,641	804,566,616	31,371,804	8,429,015,827	10,084,215,888
Accumulated depreciation	(118,256,905)	(170,900,898)	(12,236,722)	-	(301,394,525)
Carrying amount	701,004,736	633,665,718	19,135,082	8,429,015,827	9,782,821,363
January 1, 2024					
(As Restated – see Note 2.1)					
Costs	818,087,172	804,566,616	31,371,804	7,478,056,473	9,132,082,065
Accumulated depreciation	(94,143,690)	(145,870,372)	(10,668,132)	-	(250,682,194)
Carrying amount	723,943,482	658,696,244	20,703,672	7,478,056,473	8,881,399,871

A reconciliation of the carrying amounts of investment properties at the beginning and end of years 2025, 2024 and 2023 is as follows:

<i>(Amounts in PHP)</i>	Retail Building	Condominium Units	Parking Units	Constructions in Progress	Total
Balance at January 1, 2025, net of accumulated depreciation	701,004,736	633,665,718	19,135,082	8,429,015,827	9,782,821,363
Additions	155,674,286	-	-	2,055,369,147	2,211,043,433
Reclassifications of completed projects	278,575,866	-	58,720,000	(337,295,866)	-
Disposals	-	-	-	(540,355,096)	(540,355,096)
Depreciation during the year	(30,091,159)	(25,030,527)	(2,853,390)	-	(57,975,076)
Balance at December 31, 2025, net of accumulated depreciation	1,105,163,729	608,635,191	75,001,692	9,606,734,012	11,395,534,624
Balance at January 1, 2024, net of accumulated depreciation	723,943,482	658,696,244	20,703,672	7,478,056,473	8,881,399,871
Additions (As Restated – see Note 2.1)	-	-	-	1,423,347,249	1,423,347,249
Reclassifications of completed projects	1,174,469	-	-	(1,174,469)	-
Reclassifications to other accounts (As Restated – see Note 2.1)	-	-	-	(312,500)	(312,500)
Disposals	-	-	-	(470,900,926)	(470,900,926)
Depreciation during the year	(24,113,215)	(25,030,526)	(1,568,590)	-	(50,712,331)
Balance at December 31, 2024, net of accumulated depreciation (As Restated – see Note 2.1)	701,004,736	633,665,718	19,135,082	8,429,015,827	9,782,821,363

<i>(Amounts in PHP)</i>	Retail Building	Condominium Units	Parking Units	Constructions in Progress	Total
Balance at January 1, 2023, net of accumulated depreciation	705,728,350	683,726,771	22,272,262	7,366,425,167	8,778,152,550
Additions (As Restated – see Note 2.1)	-	-	-	152,622,504	152,622,504
Reclassifications of completed projects	40,991,198	-	-	(40,991,198)	-
Depreciation during the year	<u>(22,776,066)</u>	<u>(25,030,527)</u>	<u>(1,568,590)</u>	<u>-</u>	<u>(49,375,183)</u>
Balance at December 31, 2023, net of accumulated depreciation (As Restated – see Note 2.1)	<u>723,943,482</u>	<u>658,696,244</u>	<u>20,703,672</u>	<u>7,478,056,473</u>	<u>8,881,399,871</u>

In 2025 and 2024, the Company sold certain investment properties with carrying amount of P540,355,096 and P470,900,926, respectively, for a total consideration of P1,073,254,465 and P854,062,500, respectively (see Notes 25.5 and 25.6). The gain on sale amounting to P532,899,369 in 2025 and P383,161,574 in 2024 is presented as Gain on sale of investment properties under Other Operating Income in the statements of profit or loss (see Note 20.1). Cash collections amounting to P37,638,160 in 2025 and P16,395,666 in 2024 were received from these sales, including collections in 2025 relating to investment properties sold in prior years. The outstanding balance from these sales amounted to P1,873,283,139 and P837,666,834 at the end of 2025 and 2024, respectively, and is presented as part of Contract receivables under Receivables in the statements of financial position (see Note 5).

In 2024, the Company reclassified certain investment properties with carrying amount of P312,500 to property and equipment (see Note 10). There were no similar transactions in 2025 and 2023.

Borrowing costs that are capitalized as part of investment property amounted to P874,255,724, P549,434,669 and P255,688,202 in 2025, 2024 and 2023, respectively, which represents the allocated borrowing costs incurred on loans, corporate notes and bonds obtained to fund the construction projects (see Notes 14 and 15).

Income and expenses from investment properties in 2025, 2024 and 2023 are presented below.

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Rental income:	17.1			
Retail building		116,451,374	87,119,947	66,607,399
Condominium units		31,215,568	23,740,241	30,439,823
Parking units		3,019,484	2,824,677	823,682
Others		6,596,236	141,296	3,642,292
		<u>157,282,662</u>	<u>113,826,161</u>	<u>101,513,196</u>
Cost of rental services:	18			
Depreciation		57,975,076	50,712,331	49,375,183
Others		-	-	793,674
		<u>57,975,076</u>	<u>50,712,331</u>	<u>50,168,857</u>

The depreciation and other expenses are included as part of Cost of Sales and Services in the statements of profit or loss in 2025, 2024 and 2023 (see Note 18).

Investment properties have a total fair value of P12,424,867,013 and P11,515,966,121 as at December 31, 2025 and 2024, respectively, based on the appraisal done by an independent expert [see Note 30.3(c)]. On the basis primarily of the foregoing valuations, management has assessed that no impairment loss is required to be provided on the Company's investment properties as at December 31, 2025 and 2024 [see also Note 3.2(g)].

Investment properties with a total carrying amount of P6,903,462,038 and P5,393,442,095 as at December 31, 2025 and 2024, respectively, are used as collateral for certain interest-bearing loans and borrowings of the Company (see Note 14.1).

13. OTHER NON-CURRENT ASSETS

This account includes the following:

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>
Deferred commissions	17.3	888,782,409	1,155,971,774
Advances to subcontractors		315,215,329	521,781,528
Refundable deposits		161,194,870	142,915,985
Computer software - net		13,613,511	19,553,095
Deposits for purchased properties	25.4	1,206,040	1,478,338
Others		10,354,002	10,354,002
		<u>1,390,366,161</u>	<u>1,852,054,722</u>

Advances to subcontractors include advance payments for materials, payment of labor and overhead expenses for on-going construction of investment properties. These are applied against the progress billings of subcontractors.

Refundable deposits pertain to recoverable payments, which are expected to be realized at the termination of the contract, to lessors and various payees. These are measured at amortized cost.

The gross carrying amounts and accumulated amortization of Computer software at the beginning and end of 2025 and 2024 are shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Cost	66,448,992	66,448,992
Accumulated amortization	<u>(52,835,481)</u>	<u>(46,895,897)</u>
Carrying amount	<u>13,613,511</u>	<u>19,553,095</u>

The total additions to computer software amounted P1,196,947 in 2024. There was no similar transaction in 2025.

The amortization expense on the computer software amounted to P5,939,584, P6,958,844 and P7,962,055 in 2025, 2024 and 2023, respectively, and is presented as part of Depreciation and amortization under Operating Expenses (see Note 19).

14. INTEREST-BEARING LOANS AND BORROWINGS

The outstanding balance of interest-bearing loans and corporate notes are presented in the statements of financial position as follows:

<i>(Amounts in PHP)</i>	Note	2025	2024
Current:			
Bank loans	14.1	4,853,560,702	6,005,486,476
Corporate notes	14.2	962,499,999	2,537,500,000
		5,816,060,701	8,542,986,476
Non-current:			
Bank loans	14.1	23,278,441,603	21,622,336,113
Corporate notes	14.2	8,463,617,639	7,237,335,826
		31,742,059,242	28,859,671,939
		37,558,119,943	37,402,658,415

The accrued interest on these loans amounted to P352,521,771 and P165,362,057 as at December 31, 2025 and 2024, respectively, and is presented as part of Accrued expenses under the Trade and Other Payables account in the statements of financial position (see Note 16).

14.1 Bank Loans

An analysis of the movements in the balance of interest-bearing loans is presented below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	27,627,822,589	24,715,976,237
Net proceeds from issuance	22,192,584,225	13,789,278,958
Repayments	(21,754,659,015)	(10,952,516,827)
Amortization of debt issue costs	66,254,506	75,084,221
Balance at end of year	28,132,002,305	27,627,822,589

A reconciliation of the unamortized debt issue cost at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	115,336,928	118,299,741
Debt issue costs from new loans	22,234,461	72,121,408
Amortization of debt issue cost	(66,254,506)	(75,084,221)
Balance at end of the year	71,316,883	115,336,928

The loans bear interest rates per annum ranging from 5.00% to 9.25% in 2025, from 5.25% to 9.50% in 2024, and from 4.75% to 9.25% in 2023. Certain loans are collateralized by the specific projects and developments for which the loans were obtained. The carrying amount of such projects aggregating to P18,902,640,329 and P15,332,297,077 as at December 31, 2025 and 2024, respectively, are included in the Real Estate Inventories, Property and Equipment and Investment Properties accounts in the statements of financial position (see Notes 6, 10 and 12).

Per loan covenants, the Company is required to maintain the specifically defined financial ratios with respect to (a) maximum debt to equity ratio of 2.5:1; (b) minimum current ratio of 1:1; (c) minimum debt service coverage ratio (DSCR) of 1:1 and, (d) minimum interest coverage ratio of 3:1. Consistent with the terms of the Company's loan agreements, covenant compliance is measured based on the most recently available audited financial statements within the reporting timelines prescribed in the agreements. As at December 31, 2025 and 2024, the Company is compliant with the applicable covenant requirements.

The total interest incurred from the foregoing loans, including amortization of debt issuance cost, amounted to P2,492,859,051, P2,174,304,128 and P1,991,901,881.00 in 2025, 2024 and 2023, respectively, and of which P1,110,516,918, P764,673,850 and P431,873,778 were capitalized as part of investment properties and property and equipment in 2025, 2024 and 2023, respectively (see Notes 10 and 12). The remaining interest was recognized as part of Finance Costs in 2025, 2024 and 2023 (see Note 21). The capitalization rate used in determining the amount of interest charges qualified for capitalization ranges from 5.50% to 8.75%, from 5.25% to 8.75%, and from 4.75% to 9.25% in 2025, 2024 and 2023, respectively.

14.2 Corporate Notes

The Company and various financial institutions executed a Notes Facility Agreement (NFA) for the issuance of Long-Term Corporate Notes (LTCN) totaling P13,000,000,000 and Sustainability-Linked Notes (SLN) totaling P3,000,000,000.

The NFA is composed of the following tranches:

NFA	Date Executed	Tranche	Tenor	Principal Amounts in PHP
LTCN	07/20/2018	Series A	Seven years	2,500,000,000
		Series B	Ten years	1,000,000,000
		Series C	Ten years with repricing on the interest rate re-setting date	
				1,500,000,000
	03/05/2020	Series D	Five years	1,300,000,000
		Series E	Seven years	5,700,000,000
		Series F	Ten years	1,000,000,000
SLN	08/06/2025	Series G	Seven years	850,000,000
		Series H	Ten years	2,150,000,000
				16,000,000,000

The Company made the following drawdowns from the NFA.

Year	Tranche	Interest Rate	Maturity Dates	Amounts in PHP
2025	Series G	6.87% - 6.95%	August - September 2032	850,000,000
	Series H	7.30% - 7.37%	August - September 2035	2,150,000,000
				<u>3,000,000,000</u>
2020	Series D	3.46%	September 2025	1,300,000,000
	Series E	3.54% - 4.66%	April 2027	5,700,000,000
	Series F	4.23% - 5.23%	March 2030	1,000,000,000
				<u>8,000,000,000</u>
2019	Series A	7.25%	January 2026	<u>2,000,000,000</u>
2018	Series A	7.25%	December 2025	500,000,000
	Series B	6.63%	August - September 2028	1,000,000,000
	Series C	6.75%	October - December 2028	1,500,000,000
				<u>3,000,000,000</u>

The SLN series carries a step-up feature wherein the applicable interest rate increases by 0.075% for every occurrence of a Trigger Event. A Trigger Event arises when a Sustainability Performance Target (SPT) is not met on the relevant observation date. The SPT are as follows:

- Short-term SPT: Construct 8,500 new Affordable Housing units by February 2027
- Medium-term SPT: Construct 16,000 new Affordable Housing units by February 2029

An analysis of the movements in the balance of corporate notes is presented below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	9,774,835,826	11,241,710,505
Net proceeds from issuance	2,964,542,666	-
Repayments	(3,337,500,000)	(1,491,666,667)
Amortization of debt issue cost	24,239,146	24,791,988
Balance at end of the year	<u>9,426,117,638</u>	<u>9,774,835,826</u>

A reconciliation of the unamortized debt issue cost at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	52,842,745	77,634,734
Debt issue costs from new notes	35,457,334	-
Amortization of debt issue costs	(24,239,146)	(24,791,989)
Balance at end of the year	<u>64,060,933</u>	<u>52,842,745</u>

The total interest incurred related to the NFA, including amortization of debt issuance cost, amounted to P596,030,974, P606,939,694 and P667,255,268 in 2025, 2024 and 2023, respectively, of which P392,194,811, P369,697,770 and P236,252,622 was capitalized as part of property and equipment and investment properties in 2025, 2024 and 2023, respectively (see Notes 10 and 12). The remaining interest was recognized as part of Finance Costs in 2025, 2024 and 2023 (see Note 21). The capitalization rate used in determining the amount of interest charges qualified for capitalization ranges from 3.46% to 7.25% in 2025, from 5.00% to 9.50% in 2024, and from 5.00% to 8.00% in 2023.

The Company is required to maintain the specifically defined financial ratios with respect to (a) maximum debt to equity ratio of 2.5:1; (b) minimum current ratio of 1:1; and, (c) minimum interest coverage ratio of 3:1. As at December 31, 2025 and 2024, the Company is compliant with the requirements.

15. BONDS PAYABLE

The outstanding balance of bonds payable are presented in the statements of financial position as follows:

<i>(Amounts in PHP)</i>	2025	2024
Current	2,763,194,048	-
Non-current	11,111,294,563	4,964,768,926
	<u>13,874,488,611</u>	<u>4,964,768,926</u>

On September 23, 2022, CLI registered with the SEC its debt securities program of P15,000,000,000 fixed-rate bonds, to be offered in one or more tranches within three years. The breakdown of the bonds payable, together with their respective terms and conditions, is presented below.

Tranche / Series	Type	Tenor	Issue Date	Due Date	Coupon Rate	Principal Amount
1st Tranche						
Series A	Fixed-rate	3.5 years	October 7, 2022	April 7, 2026	6.4222%	2,766,260,000
Series B	Fixed-rate	5.5 years	October 7, 2022	April 7, 2028	6.9884%	1,243,670,000
Series C	Fixed-rate	7 years	October 7, 2022	October 7, 2029	7.3649%	990,070,000
						<u>5,000,000,000</u>
2nd Tranche						
Series D	SLB	3 years	March 21, 2025	March 21, 2028	6.6348%	2,852,600,000
Series E	SLB	3.5 years	March 21, 2025	March 21, 2030	6.9157%	2,147,400,000
						<u>5,000,000,000</u>
3rd Tranche						
Series F	SLB	4 years	December 5, 2025	December 5, 2029	6.5408%	2,187,080,000
Series G	SLB	7 years	December 5, 2025	December 5, 2032	6.6807%	602,810,000
Series H	SLB	10 years	December 5, 2025	December 5, 2035	6.9572%	1,215,300,000
						<u>4,005,190,000</u>
						<u>14,005,190,000</u>

All Series Bonds were listed with the Philippine Dealing & Exchange Corp. (PDEx) and have been rated “PRS Aa plus” with a stable outlook by PhilRatings.

The Sustainability-Linked Bonds (SLB) series carries a step-up feature wherein the applicable interest rate increases by 0.075% for every occurrence of a Trigger Event. A Trigger Event arises when a SPT is not met on the relevant observation date. The SPT are as follows:

- Short-term SPT: Construct 8,500 new Affordable Housing units by February 2027
- Medium-term SPT: Construct 16,000 new Affordable Housing units by February 2029

An analysis of the movements in the balance of bonds payable is presented below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	4,964,768,926	4,947,822,521
Net proceeds from issuance	8,876,780,500	-
Amortization of debt issue costs	32,939,185	16,946,405
Balance at end of year	<u>13,874,488,611</u>	<u>4,964,768,926</u>

A reconciliation of the unamortized debt issue cost at the beginning and end of 2025 and 2024 is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	35,231,074	52,177,479
Debt issue costs from new bonds	128,409,500	-
Amortization of debt issue costs	(32,939,185)	(16,946,405)
Balance at end of the year	<u>130,701,389</u>	<u>35,231,074</u>

The total interest incurred related to the bonds, including amortization of debt issue costs, amounted to P651,536,118, P352,556,540 and P169,831,589 in 2025, 2024 and 2023, respectively, of which P498,746,856, P221,182,117 and P102,974,721 was capitalized as part of property and equipment and investment properties in 2025, 2024 and 2023, respectively (see Notes 10 and 12). The remaining interest was recognized as part of Finance Costs in 2025, 2024 and 2023 (see Note 21). The capitalization rate used in determining the amount of interest charges qualified for capitalization ranges from 6.42% to 7.36% in 2025, from 6.42% to 7.36% in 2024, and from 6.89% to 7.64% in 2023.

The Company is required to maintain the financial ratios with respect to: (a) maximum debt to equity ratio of 2.5:1; (b) minimum current ratio of 1:1; and, (c) minimum interest coverage ratio of 3:1. As at December 31, 2025 and 2024, the Company is compliant with the requirements.

16. TRADE AND OTHER PAYABLES

The trade and other payables are composed of the following:

<i>(Amounts in PHP)</i>	Notes	2025	2024
Current:			
Unbilled construction costs		7,450,268,674	5,555,479,989
Trade payables		3,279,459,551	3,070,622,920
Sales commissions payable		3,550,016,404	2,988,113,625
Retention payable		821,330,627	541,165,109
Accrued expenses	14	497,584,452	280,625,981
Dividends payable	26.6	339,406,706	339,406,706
Government-related obligations		85,417,563	42,038,290
Due to related parties	25.2	72,724,974	66,018,130
Output VAT		40,732,669	15,839,978
Other payables		12,156,743	6,086,822
		<u>16,149,098,363</u>	<u>12,905,397,550</u>
Non-current			
Retention payable		478,402,441	478,402,441
Advance rental		47,925,173	31,695,903
Security deposits from tenants		40,049,231	22,699,729
Accrued land cost		-	6,304,042
Other payables		10,904,716	10,908,824
		<u>577,281,561</u>	<u>550,010,939</u>
		<u>16,726,379,924</u>	<u>13,455,408,489</u>

Unbilled construction costs pertain to estimated obligations to contractors for services already performed but not yet billed to the Company.

Trade payables mainly represent outstanding obligations to owners of parcels of land acquired, subcontractors and suppliers of construction materials.

Retention payable pertains to amount withheld from payments made to contractors to ensure compliance and completion of contracted projects equivalent to 10% of every billing made by the contractor. Portion of the amount retained that is not expected to be paid within 12 months from the end of the reporting period is presented as part of non-current liabilities in the statements of financial position.

Accrued expenses pertain to accruals for interest, contracted services, security services, professional fees and other recurring accruals in the Company's operations.

17. REVENUE FROM CONTRACTS WITH CUSTOMERS AND CONTRACT BALANCES

17.1 Disaggregation of Contract Revenues

The Company derives revenue from the transfer of goods and services over time and at a point in time. Presented below are revenues from its major product lines and geographical areas for the years ended December 31, 2025, 2024 and 2023.

<i>(Amounts in PHP)</i>	<u>Cebu</u>	<u>Visayas</u>	<u>Mindanao</u>	<u>Luzon</u>	<u>Total</u>
2025					
<i>Sale of real estates</i>					
Over time	3,543,041,626	1,572,064,363	4,047,023,478	1,396,856,284	10,558,985,751
At a point in time	737,022,627	261,445,017	56,809,195	3,390,000	1,058,666,839
	<u>4,280,064,253</u>	<u>1,833,509,380</u>	<u>4,103,832,673</u>	<u>1,400,246,284</u>	<u>11,617,652,590</u>
<i>Lease of properties</i>					
Over time	157,282,662	-	-	-	157,282,662
<i>Rendering of management services</i>					
Over time	87,946,904	17,336,135	67,134,875	-	172,417,914
	<u>4,525,293,819</u>	<u>1,850,845,515</u>	<u>4,170,967,548</u>	<u>1,400,246,284</u>	<u>11,947,353,166</u>
2024 [As Restated – see Note 2.1(b)(ii)]					
<i>Sale of real estates</i>					
Over time	3,098,778,856	1,634,519,974	3,939,692,259	855,669,206	9,528,660,295
At a point in time	285,967,977	116,497,812	74,783,832	6,410,000	483,659,621
	<u>3,384,746,833</u>	<u>1,751,017,786</u>	<u>4,014,476,091</u>	<u>862,079,206</u>	<u>10,012,319,916</u>
<i>Lease of properties</i>					
Over time	113,826,161	-	-	-	113,826,161
<i>Rendering of management services</i>					
Over time	70,124,722	31,733,387	44,791,913	-	146,650,022
	<u>3,568,697,716</u>	<u>1,782,751,173</u>	<u>4,059,268,004</u>	<u>862,079,206</u>	<u>10,272,796,099</u>
2023					
<i>Sale of real estates</i>					
Over time	5,851,080,829	3,007,663,343	1,457,391,813	544,680,899	10,860,816,884
At a point in time	17,677,346	139,887,766	49,590,140	22,880,000	230,035,252
	<u>5,868,758,175</u>	<u>3,147,551,109</u>	<u>1,506,981,953</u>	<u>567,560,899</u>	<u>11,090,852,136</u>
<i>Lease of properties</i>					
Over time	101,513,196	-	-	-	101,513,196
<i>Rendering of management services</i>					
Over time	75,098,972	24,874,604	54,403,224	-	154,376,800
	<u>6,045,370,343</u>	<u>3,172,425,713</u>	<u>1,561,385,177</u>	<u>567,560,899</u>	<u>11,346,742,132</u>

Sale of real estates include contracts with significant financing components in accordance with PFRS 15. The related interest income or interest expense is presented as Interest income from real estate sales in the statement of profit or loss.

17.2 Contract Balances

The Company's contract assets as at December 31, 2025 and 2024 are presented in the statements of the financial position as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current	7,702,225,031	15,436,691,263
Non-current	28,310,172,083	18,764,293,954
	<u>36,012,397,114</u>	<u>34,200,985,217</u>

A reconciliation of the opening and closing balance of Contract Assets is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	34,200,985,217	32,717,768,497
Performance of property development	9,858,005,145	9,570,886,121
Collections	(7,905,947,952)	(4,993,530,782)
Transfers to contract receivables	(1,431,974,072)	(4,216,136,303)
Accretion of interest income	1,291,328,776	1,121,997,684
Balance at end of year	<u>36,012,397,114</u>	<u>34,200,985,217</u>

The Company recognizes contract assets, due to timing difference of payment and satisfaction of performance obligation, to the extent of satisfied performance obligation on all open contracts as at the end of the reporting period. Its classification and presentation in the statements of financial position is based on the Company's estimate of project completion, hence, any change in estimated completion period affects transfers to contracts receivables.

The Company assesses an ECL when the contract assets are initially recognized and updates the assessment at each reporting date based on the analysis determined by management [see Note 29.2(a)].

A reconciliation of the opening and closing balance of Contract Liabilities is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	120,537,515	164,891,955
Revenue recognized that was included in contract liability at the beginning of year	(21,835,838)	(136,074,559)
Increase due to cash received excluding amount recognized as revenue during the year	119,071,084	33,937,961
Accretion of interest expense	4,353,167	57,782,158
Balance at end of year	<u>222,125,928</u>	<u>120,537,515</u>

Contract liabilities pertain to collections from buyers that are ahead of the stage of completion of the real estate units sold. Changes in the contract assets and contract liabilities are recognized by the Company when a right to receive payment is already established and upon performance of unsatisfied performance obligation, respectively.

Collections from buyers on sale of real estate units where the gating criteria for recognition of sales contract have yet to be met are accounted for and presented as Customers' Deposits in the statements of financial position. The balance of Customers' Deposits amounted to P219,198,874 and P78,940,908 as at December 31, 2025 and 2024, respectively.

17.3 Direct Contract Cost

The Company incurs sales commissions upon execution of contracts to sell real properties to customers. Incremental costs of commission incurred to obtain contracts are capitalized and presented as Deferred commission presented under Prepayments and Other Current Assets, and Other Non-current Assets accounts in the statements of financial position (see Notes 8 and 13). These are amortized over the expected construction period on the same basis as how the Company measures progress towards complete satisfaction of its performance obligation in its contracts. The total amount of amortization for 2025, 2024 and 2023 is presented as Commission under Operating Expenses (see Note 19).

The Company's deferred commissions are presented in the statements of financial position as follows:

<i>(Amounts in PHP)</i>	Notes	2025	2024
Current	8	1,951,195,124	1,136,472,648
Non-current	13	888,782,409	1,155,971,774
		<u>2,839,977,533</u>	<u>2,292,444,422</u>

The movement in balances of deferred commission in 2025 and 2024 is presented below (see Note 8 and 13):

<i>(Amounts in PHP)</i>	Note	2025	2024
Balance at beginning of year		2,292,444,422	2,143,291,435
Additional capitalized cost		1,124,236,804	771,759,655
Amortization for the year	19	<u>(576,703,693)</u>	<u>(622,606,668)</u>
Balance at end of year		<u>2,839,977,533</u>	<u>2,292,444,422</u>

17.4 Transaction Price Allocated to Unsatisfied Performance Obligations

The aggregate amount of transaction price allocated to partially or wholly unsatisfied contracts as at December 31, 2025 and 2024 is P18,967,447,037 and P15,674,554,732, respectively. As at December 31, 2025 and 2024, the Company expects to recognize revenue from unsatisfied contracts as follows:

<i>(Amounts in PHP)</i>	2025	2024
Within a year	10,848,683,189	10,922,224,589
More than one year to three years	<u>8,118,763,848</u>	<u>4,752,330,143</u>
	<u>18,967,447,037</u>	<u>15,674,554,732</u>

18. COST OF SALES AND SERVICES

Components of costs of sales and services are analyzed below (see Note 19).

<i>(Amounts in PHP)</i>	Notes	2025	2024 (As Restated – see Note 2.1)	2023
Cost of real estate sales:				
Contracted services	19	4,692,506,070	3,613,585,028	4,089,277,859
Land	19	669,562,651	383,558,500	755,964,353
Other costs		252,726,259	210,088,029	194,741,748
		<u>5,614,794,980</u>	<u>4,207,231,557</u>	<u>5,039,983,960</u>
Cost of rental services:				
Depreciation		57,975,076	50,712,331	49,375,183
Real property taxes		-	-	793,674
	12	<u>57,975,076</u>	<u>50,712,331</u>	<u>50,168,857</u>
		<u>5,672,770,056</u>	<u>4,257,943,888</u>	<u>5,090,152,817</u>

19. COSTS AND EXPENSES BY NATURE

Details of costs and expenses by nature are shown below.

<i>(Amounts in PHP)</i>	Notes	2025	2024 (As Restated – see Note 2.1)	2023
Contracted services	18	4,692,506,070	3,613,585,028	4,089,277,859
Salaries and employee benefits	23.1	833,245,974	681,556,121	607,390,097
Land	18	669,562,651	383,558,500	755,964,353
Commissions	17.3	576,703,693	622,606,668	638,005,683
Taxes and licenses		348,591,027	286,677,396	135,632,710
Depreciation and amortization	10, 11, 12, 13	164,351,010	137,055,472	131,323,468
Security and janitorial services		136,795,943	64,148,500	39,950,608
Advertising		136,025,288	100,570,592	79,698,874
Utilities		89,567,377	53,367,845	33,787,485
Insurance		55,704,087	38,835,892	32,814,534
Representation and entertainment		61,453,063	61,262,278	53,070,817
Transportation and travel		48,486,510	39,679,747	26,138,770
Subscription and membership dues		40,145,572	25,393,564	16,922,321
Rent	11.3, 27.2	34,693,809	22,322,080	54,044,006
Supplies		28,069,531	21,053,026	15,537,631
Repairs and maintenance		27,490,118	23,659,150	20,897,167
Professional and legal fees		20,614,140	30,441,340	20,567,022
Donations		15,150,000	519,749	6,020,619
Fuel and lubricants		10,034,930	9,543,359	7,474,661
Penalties		9,614,816	85,971,555	22,366,855
Communications		9,079,410	8,528,492	6,434,035
Trainings and seminars		7,210,892	5,038,038	1,594,705
Others		412,132,774	320,458,540	264,212,579
		<u>8,427,228,685</u>	<u>6,635,832,932</u>	<u>7,059,126,859</u>

These costs and expenses are classified in the statements of profit or loss as follows:

(Amounts in PHP)	Note	2025	2024	2023
			[As Restated – see Note 2.1 (b)(ii)]	
Cost of sales and services	18	5,672,770,056	4,257,943,888	5,090,152,817
Operating expenses		2,754,458,629	2,377,889,044	1,968,974,042
		<u>8,427,228,685</u>	<u>6,635,832,932</u>	<u>7,059,126,859</u>

20. OTHER OPERATING INCOME AND OTHER LOSSES

20.1 Other Operating Income

This account is composed of the following:

(Amounts in PHP)	Note	2025	2024	2023
			(As Restated – see Note 2.1)	
Gain on sale of investment properties	12	532,899,369	383,161,574	-
Administrative charges		170,065,794	109,928,863	125,496,612
Move-in fee income		68,972,267	89,155,816	-
Water service fee		27,472,390	35,761,259	16,337,568
Documentation fee		26,150,894	23,250,000	23,192,879
Utilities charged to tenants		25,348,530	12,449,190	10,723,514
Sponsorships		9,627,232	10,290,486	14,056,920
Referral incentive		5,501,999	2,191,861	1,141,985
Late payment penalties charged to customers		5,008,702	5,785,376	9,139,667
Foreign exchange gains		1,627,551	2,071,162	1,338,935
Scrap sales		-	1,681,223	2,163,848
Reversal of payables		-	-	115,283,578
Commitment fee		-	39,281,838	39,655,599
Others		21,797,985	14,428,834	5,121,734
		<u>894,472,713</u>	<u>729,437,482</u>	<u>363,652,839</u>

Move-in fee income pertains to excess fees charged to real estate buyers upon turn-over of their units over the cost of services to make the buyers' units habitable which include requisition of building insurance and fire extinguisher, processing of related taxes, utility connections and others.

Reversal of payables pertains to outstanding payables related to advances from buyers in excess of the paid transfer charges and move-in fees, which are not refunded to the buyers. It also includes outstanding payables from cancelled contracts with certain building contractors and suppliers, which the Company is no longer required to pay and income from the write-off of long-outstanding unidentified deposits.

Administrative charges include standard fees charged to the buyers and non-refundable portion of the buyers' payment upon withdrawal from sale.

20.2 Other Losses

This account is composed of the following:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Foreign exchange losses	5,487,864	2,623,145	3,215,606
Loss (gain) on sale of assets – net	2,837	(1,368,905)	17,411
Other losses	<u>22,526,116</u>	<u>22,558,752</u>	<u>-</u>
	<u>28,016,817</u>	<u>23,812,992</u>	<u>3,233,017</u>

Other losses mainly comprise expenses and charges arising from non-recurring events and transactions, including transaction costs related to equity and debt issuances and losses from calamity related incidents.

21. FINANCE COSTS

This is composed of the following:

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Interest expense on:				
Interest-bearing loans and borrowings	14	1,586,178,296	1,646,872,202	1,991,030,749
Bonds	15	152,789,262	131,374,423	66,856,868
Lease liabilities	11.4	69,540,853	68,238,917	65,882,750
Deficiency taxes		-	28,417,950	-
Post-employment defined benefit obligation	23.3	2,466,935	636,230	428,176
Day one loss, net of amortization	5	55,094,990	2,666,907	3,751,674
Bank charges		<u>9,092,100</u>	<u>1,901,059</u>	<u>279,094</u>
		<u>1,875,162,436</u>	<u>1,880,107,688</u>	<u>2,128,229,311</u>

Interest expense on loans and bonds are the portion not capitalized as part of property and equipment, and investment properties (see Notes 10 and 12).

22. FINANCE INCOME

This is composed of the following:

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Interest income on:				
Banks	4	28,969,252	9,831,683	11,618,139
Advances to related parties	25.1	<u>26,691,949</u>	<u>22,206,219</u>	<u>32,371,122</u>
		<u>55,661,201</u>	<u>32,037,902</u>	<u>43,989,261</u>

23. EMPLOYEE BENEFITS

23.1 Salaries and Employee Benefits

Expenses recognized for salaries and employee benefits are presented below.

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Short-term employee benefits		821,544,443	672,777,986	600,634,984
Post-employment defined benefit expense	23.3	10,323,916	7,408,472	4,639,127
Share options	23.2, 26.4	1,377,615	1,369,663	2,115,986
	19	833,245,974	681,556,121	607,390,097

23.2 Employee Share Option

Employee share option expense, included as part of Salaries and employee benefits expense under the Operating Expenses account in the statements of profit or loss, amounted to P1,377,615, P1,369,663 and P2,115,986 in 2025, 2024 and 2023, respectively (see Note 23.1), while the corresponding cumulative credit to Share Options Outstanding account is presented under the Equity section of the statements of financial position (see Note 26.4).

23.3 Post-Employment Benefit Plan

(a) Characteristics of the Defined Benefit Plan

The Company maintains a funded and non-contributory post-employment benefit plan that is being administered by a trustee bank that is legally separated from the Company. The trustee bank manages the fund in coordination with the Company's top management who acts in the best interest of the plan assets and is responsible for setting the investment policies. The post-employment plan covers all regular full-time employees.

The normal retirement age is 60 with a minimum of five years of credited service. The plan also provides for an early retirement at age 50 with a minimum of five years of credited service and late retirement after age 60, both subject to the approval of the Company's BOD. Normal retirement benefit is an amount equivalent to 50% of the final monthly covered compensation (average monthly basic salary during the last 12 months of credited service) for every year of credited service.

(b) Explanation of Amounts Presented in the Financial Statements

Actuarial valuations are made annually to update the post-employment defined benefit costs and the amount of contributions. All amounts presented in the succeeding pages are based on the actuarial valuation reports obtained from an independent actuary in 2025 and 2024.

The amounts of post-employment defined benefit obligation recognized in the statements of financial position are determined as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Present value of the obligation	100,563,345	82,925,055
Fair value of plan assets	(40,953,182)	(42,615,660)
	<u>59,610,163</u>	<u>40,309,395</u>

The movements in the present value of the post-employment defined benefit obligation recognized in the books are presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	82,925,055	53,883,058
Current service cost	10,323,916	7,408,472
Interest cost	5,075,013	3,297,643
Benefits paid	(9,383,544)	(2,395,737)
Remeasurements – actuarial losses (gains) arising from:		
Changes in demographic assumptions	7,642,318	-
Experience adjustments	4,587,463	37,353,269
Changes in financial assumptions	(606,876)	(16,621,650)
Balance at end of year	<u>100,563,345</u>	<u>82,925,055</u>

The movements in the fair value of plan assets are presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Balance at beginning of year	42,615,660	43,487,144
Contributions	5,800,836	-
Interest income	2,608,078	2,661,413
Benefits paid	(9,383,544)	(2,395,737)
Loss on plan assets (excluding amounts included in net interest expense)	(687,848)	(1,137,160)
Balance at end of year	<u>40,953,182</u>	<u>42,615,660</u>

The composition of the fair value of plan assets at the end of the reporting period by category and risk characteristics is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Unitized investment funds	40,461,536	33,367,846
Government securities	9,714,496	9,059,820
Receivables	146,205	131,176
Cash and cash equivalents	14,489	56,818
Benefit payments to be reimbursed	(9,383,544)	-
	<u>40,953,182</u>	<u>42,615,660</u>

The fair values of the above unitized investment funds and government debt securities are determined based on quoted market prices in active markets (classified as Level 1 of the fair value hierarchy).

Plan assets do not comprise any of the Company's own financial instruments or any of its assets occupied and/or used in its operations. The plan assets recognized gains in 2025, 2024, and 2023 amounting to P1,920,230, P1,524,253 and P1,933,149, respectively.

The components of amounts recognized in profit or loss and other comprehensive income in respect of the defined benefit post-employment plan are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Recognized in profit or loss</i>			
Current service cost - net	10,323,916	7,408,472	4,639,127
Net interest expense on defined benefit obligation	2,466,935	636,230	428,176
	<u>12,790,851</u>	<u>8,044,702</u>	<u>5,067,303</u>
<i>Recognized in other comprehensive income:</i>			
Actuarial losses (gains) arising from changes in:			
Demographic assumptions	7,642,318	-	-
Experience adjustments	4,587,463	37,353,269	2,676,303
Financial assumptions	(606,876)	(16,621,650)	2,343,402
Loss on plan assets (excluding amounts included in net interest expense)	687,848	1,137,160	817,259
	<u>12,310,753</u>	<u>21,868,779</u>	<u>5,836,964</u>

The net interest expense is presented as part of Post-employment defined benefit obligation under Finance Costs in the statements of profit or loss (see Note 21).

Amounts recognized in other comprehensive loss were included within items that will not be reclassified subsequently to profit or loss.

In determining the amounts of the defined benefit post-employment obligation, the following significant actuarial assumptions were used:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Discount rates	6.22%	6.12%	6.12%
Salary increase rates	3%	3%	7%

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working lives of an individual retiring at the age of 60 is 25 years for both males and females. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of zero-coupon government bonds with terms to maturity approximating the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) *Risks Associated with the Retirement Plan*

The plan exposes the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

(i) *Investment and Interest Risks*

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Due to the long-term nature of the plan obligation, a level of continuing equity investments is an appropriate element of the Company's long-term strategy to manage the plan efficiently.

(ii) *Longevity and Salary Risks*

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) *Other Information*

The information on the sensitivity analysis for certain significant actuarial assumptions, the Company's asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the retirement plan are as follows:

(i) *Sensitivity Analysis*

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the post-employment defined benefit obligation:

<i>(Amounts in PHP)</i>	Impact on Post-employment Defined Benefit Obligation		
	Changes in Assumption	Increase in Assumption	Decrease in Assumption
December 31, 2025			
Discount rate	+/-1.0%	(5,625,062)	5,270,094
Salary increase rate	+/-1.0%	5,571,141	(6,136,449)
December 31, 2024			
Discount rate	+/-1.0%	(4,106,498)	3,165,843
Salary increase rate	+/-1.0%	3,450,146	(4,610,035)

In addition, assuming there are no attrition rates, the increase in post-employment defined benefit obligation would be P33,772,458 and P33,056,004 in 2025 and 2024, respectively.

The foregoing sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

(ii) *Asset-Liability Matching Strategies*

To efficiently manage the retirement plan, the Company, through its Retirement Plan Committee, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve that long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the post-employment obligations by investing in long-term fixed interest securities (i.e., government or corporate bonds) with maturities that match the benefit payments as they fall due and in the appropriate currency. The Company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the post-employment obligations.

There has been no change in the Company's strategies to manage its risks from previous periods.

(iii) *Funding Arrangements and Expected Contributions*

The Company does not expect to make a contribution during the next reporting period.

The maturity profile of undiscounted expected benefit payments from the plan follows:

<i>(Amounts in PHP)</i>	2025	2024
Within one year	33,772,458	33,056,004
More than one year to five years	58,401,691	45,429,141
More than five years to ten years	435,148,314	351,181,103
	527,322,463	429,666,248

The weighted average duration of the defined benefit obligation at the end of the reporting period is 3.80 years.

24. CURRENT AND DEFERRED TAXES

The Company is registered with the Board of Investments (BOI) as a developer of various economic and low-cost housing projects. Accordingly, the Company enjoys an income tax holiday on the BOI-registered projects within three to four taxable years from its registration. The Company has one and five registered projects with BOI as at December 31, 2025 and 2024, respectively.

The components of tax expense relating to profit or loss and other comprehensive income or loss are as shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Reported in profit or loss:</i>			
Current tax expense:			
Regular corporate income tax (RCIT) at 25%	250,508,378	208,559,755	138,485,018
Final income tax	11,800,137	267,625	2,323,592
	262,308,515	208,827,380	140,808,610
Deferred tax expense arising from origination and reversal of temporary differences	405,588,963	419,267,874	839,177,697
	667,897,478	628,095,254	979,986,307
<i>Reported in other comprehensive income</i>			
Deferred tax income arising from origination and reversal of temporary differences	(3,077,688)	(5,467,195)	(1,459,241)

A reconciliation of tax on pretax profit computed at the applicable statutory rates to tax expense reported in the statements of profit or loss is presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Tax on pretax profit at 25%	950,163,471	892,593,334	953,357,034
Adjustments for income subject to lower tax rate	(1,448,463)	(2,725,546)	(580,943)
Tax effects of:			
Non-taxable income	(308,393,685)	(284,705,283)	(305,762,480)
Tax exempt real estate sales	(5,321,668)	15,887,569	326,549,783
Non-deductible expenses	32,897,823	7,045,180	6,422,913
Tax expense	667,897,478	628,095,254	979,986,307

The net deferred tax liabilities relate to the following as at December 31:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Deferred tax liabilities:		
Difference between tax reporting base and financial reporting base used in sales recognition	4,480,285,497	4,112,378,010
Rental income	69,263,950	876,714
	<u>4,549,549,447</u>	<u>4,113,254,724</u>
Deferred tax assets:		
Recognition of commission	(140,934,531)	(137,350,396)
Net lease liabilities	(57,991,150)	(46,022,268)
Post-employment defined benefit obligation	(15,746,239)	(4,215,674)
Employee share options	(1,331,724)	(987,320)
Others	(16,779,340)	(10,423,878)
	<u>(232,782,984)</u>	<u>(198,999,536)</u>
	<u>4,316,766,463</u>	<u>3,914,255,188</u>

The components of deferred tax expense (income) are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Reported in profit or loss:</i>			
Deferred tax liabilities:			
Difference between tax reporting base and financial reporting base used in sales recognition	367,907,487	469,897,271	875,216,531
Rental income	68,387,236	3,572,421	6,508,401
Deferred tax assets:			
Net lease liabilities	(11,968,882)	(10,765,674)	(10,299,464)
Post-employment defined benefit obligation	(8,452,877)	(488,337)	(900,210)
Recognition of commission	(3,584,135)	(24,968,375)	(29,302,980)
Employee share options	(344,404)	(342,415)	(644,905)
Others	(6,355,462)	(17,637,017)	(1,399,676)
Tax expense	<u>405,588,963</u>	<u>419,267,874</u>	<u>839,177,697</u>
<i>Reported in other comprehensive income –</i>			
Post-employment defined benefit obligation	<u>(3,077,688)</u>	<u>(5,467,195)</u>	<u>(1,459,241)</u>

In 2025, 2024, and 2023, the Company is subject to minimum corporate income tax (MCIT), which is computed at 1% of gross income before July 1, 2023 and 2% thereafter, net of allowable deductions, as defined under the tax regulations, or to RCIT, whichever is higher. No MCIT was reported in 2025, 2024, and 2023 as RCIT was higher than MCIT in these years.

The Company opted to treat the capitalized borrowing costs as capital expenditure in accordance with Section 34(b) of the National Internal Revenue Code (NIRC); hence, there are no deferred taxes related to the transaction.

The Company opted to claim itemized deductions in computing its income tax due for the years ended December 31, 2025, 2024 and 2023.

25. RELATED PARTY TRANSACTIONS

The Company's related parties include its ultimate parent company, entities under common ownership, subsidiaries, associates, shareholders, the Company's key management personnel, and its retirement fund. A summary of the Company's transactions and outstanding balances with related parties is presented below.

(Amounts in PHP)	Note	Amount of Transaction			Outstanding Balance	
		2025	2024	2023	2025	2024
Ultimate Parent Company						
Sale of investment properties	25.5	587,907,786	854,062,500	-	1,397,637,514	837,666,834
Sale of condominium units	25.5	534,932,583	-	4,363,528	524,120,797	-
Dividends paid	25.3	413,207,837	411,996,617	411,996,617	-	-
Entities under Common Ownership						
Advances (collections)	25.1	5,534,794	13,818,286	2,603,003	59,494,450	53,959,656
Subsidiaries						
Advances (collections)	25.1	(157,937,947)	(45,693,421)	787,326,615	452,337,732	610,275,679
Interest income	25.1	26,691,949	22,206,219	32,371,122	-	-
Advances (payments)	25.2	6,706,844	5,183,955	-	72,724,974	66,018,130
Purchase of properties	25.4	(272,298)	1,309,086	-	1,206,040	1,478,338
Dividends received	25.3	806,000,000	203,250,000	106,220,000	-	-
Associates						
Advances (collections)	25.1	1,447,906	(2,389,437)	1,734,807	1,458,599	10,693
Key Management Personnel						
Sale of investment properties	25.6	485,352,679	-	-	475,645,625	-
Sale of condominium units	25.6	818,605,241	10,769,427	-	799,350,563	-
Dividends paid	25.3	66,925,892	66,925,892	66,925,892	-	-
Compensation	25.7	187,685,851	128,936,641	209,130,536	-	-

Based on management's assessment, no impairment loss is required to be provided on the Company's receivables from related parties as at December 31, 2025 and 2024. In respect of contract receivables and contract assets, it is fully secured by the units purchased, expected to be settled in cash and due based on the contract terms.

Details of the foregoing transactions are discussed below and in the succeeding pages.

25.1 Due from Related Parties

The Company grants cash advances to entities under common ownership, subsidiaries and associates. An analysis of such advances in 2025 and 2024 is presented below.

(Amounts in PHP)	Entities Under Common Ownership	Subsidiaries	Associates	Total
Balance at January 1, 2025	53,959,657	610,275,679	10,693	664,246,029
Advances	16,317,638	299,176,069	1,447,906	316,941,613
Collections	(10,782,845)	(457,114,016)	-	(467,896,861)
Balance at December 31, 2025	59,494,450	452,337,732	1,458,599	513,290,781
Balance at January 1, 2024	40,141,370	655,969,100	2,400,130	698,510,600
Advances	31,612,009	837,032,314	36,009,701	904,654,024
Collections	(17,793,722)	(882,725,735)	(38,399,138)	(938,918,595)
Balance at December 31, 2024	53,959,657	610,275,679	10,693	664,246,029

The outstanding balances from these transactions, which are collectible on demand, unsecured and noninterest-bearing, are presented as Due from Related Parties in the statements of financial position. Certain advances are interest-bearing with an annual rate of 6.50%. The related interest income is recognized as part of Finance Income (see Note 22).

25.2 Due to Related Parties

In 2017, the Company assumed the development of Astra Center Project and acknowledged its obligation to ASF for the development cost it incurred. The outstanding balance from this transaction, which is payable on demand, unsecured and noninterest-bearing, amounted to P59,610,753 as at both December 31, 2025 and 2024, and is presented as part of Due to related parties under of Trade and Other Payables in the statements of financial position (see Note 16).

The Company also enters into transactions with entities under common ownership, subsidiaries and associates, which includes purchases of goods and services on account. The outstanding balances from these transactions, which are payable on demand, unsecured and noninterest-bearing, amounted to P13,114,221 and P6,407,377 as at December 31, 2025 and 2024, respectively, and are presented as part of Due to related parties under of Trade and Other Payables in the statements of financial position (see Note 16).

25.3 Cash Dividends

The amounts of cash dividends paid by the Company to the following related parties are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Ultimate Parent Company	413,207,837	411,996,617	411,996,617
Key Management Personnel	66,925,892	66,925,892	66,925,892
	<u>480,133,729</u>	<u>478,922,509</u>	<u>478,922,509</u>

The were no outstanding balances arising from these cash dividends as at December 31, 2025 and 2024.

The amounts of cash dividends received by the Company from the following subsidiaries are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
YHEST	750,000,000	50,000,000	-
El Camino	56,000,000	105,000,000	-
MGRI	-	29,250,000	27,720,000
CPM	-	19,000,000	-
YES	-	-	70,100,000
BL Ventures	-	-	8,400,000
	<u>806,000,000</u>	<u>203,250,000</u>	<u>106,220,000</u>

Dividends received are recognized as a reduction to the carrying amount of the Company's investments in subsidiaries in accordance with the equity method of accounting (see Note 9.1)

25.4 Purchase of Condominium Units

In 2024, The Company purchased condominium units that are still under construction from YHEST, GGTT and BL Ventures in 2024. Contract prices of the purchased units from YHEST, GGTT and BL Ventures amounted to P43,709,396, P31,208,933 and P12,776,495, respectively. In 2024, payments to YHEST, GGTT, and BL Ventures for such purchases amounted to P781,429, P255,359, and P272,298, respectively.

In 2025, the deposit paid to BL Ventures amounting to P272,298 was applied as part of the purchase price of the condominium units acquired by the Company, which were utilized as property and equipment.

The outstanding balance of the deposits amounted to P1,206,040 and P1,478,338 as at December 31, 2025 and 2024, respectively, which is presented as Deposits for purchased properties under Other Non-current Assets in the statements of financial position (see Note 13).

25.5 Real Estate Sales to Ultimate Parent Company

In 2025 and 2024, CLI sold to ABS parcels of land under investment properties with carrying amount of P295,992,923 and P470,900,926, respectively, for P587,907,786 and P854,062,500, respectively (see Note 12). The transactions resulted in a gain amounting to P291,908,863 and P383,161,574, respectively, which are presented as part Gain on sale of investment properties under Other Operating Income in the statements of profit or loss (see Note 20.1). As at December 31, 2025 and 2024, the outstanding balance from these transactions amounted to P1,397,637,514 and P837,666,834, respectively, and are noninterest-bearing, collectible in cash similarly to the sale of real estate properties to customers, and presented as part of Contract receivables under the Receivables account in the statements of financial position (see Note 5).

In 2025 and 2023, CLI sold condominium units to ABS amounting to P534,932,583 and P4,363,528, respectively. The outstanding balances related to these transactions are noninterest-bearing, collectible in cash over a period of five years under the terms similar to the sale of real estate properties to customers. As at December 31, 2025, the outstanding balance amounted to P524,120,797, which is presented as part of Contract Assets in the 2025 statement of financial position (Note 17.2). There were no outstanding balances or related sale transactions as at and for the year ended December 31, 2024.

Further in 2023, the Company cancelled the sale of a single floor at Baseline HQ made to ABS in December 2017.

25.6 Real Estate Sales to Key Management Personnel

In 2025, the Company sold to key management personnel a parcel of land classified as investment properties with carrying amount of P244,362,173 for P485,352,679 (see Note 12). The transaction resulted in gain of P240,990,506 which is presented as part of Gain on sale of investment properties under Other operating income in the statements of profit or loss (see Note 20.1).

In 2025 and 2024, CLI sold condominium units to key management personnel amounting to P818,605,241 and P10,769,427, respectively.

As at December 31, 2025, the outstanding balances from the land and condominium sales amounted to P475,645,625 and P421,211,088, respectively. The receivables are noninterest-bearing, collectible in cash over a period of five years, under the terms similar to the sale of real estate properties to customers, and are presented as part of Contract receivables under Receivables in the 2025 statement of financial position (see Note 5). The remaining outstanding balance from condominium sales amounting P378,139,475 are presented under Contract Assets in the 2025 statement of financial position.

25.7 Key Management Personnel Compensation

The composition of key management personnel compensation for the years ended December 31, 2025, 2024 and 2023 is shown below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Short-term benefits	184,450,036	101,282,775	159,664,014
Post-employment benefits	1,858,200	26,284,204	47,350,536
Share options	1,377,615	1,369,663	2,115,986
	<u>187,685,851</u>	<u>128,936,642</u>	<u>209,130,536</u>

25.8 Retirement Fund

CLI's retirement fund for its defined post-employment plan is administered and managed by a trustee bank. The fair value of plan assets in 2025 and 2024 consists of the contributions to the plan and interest earned (see Note 23.3). The plan assets do not comprise investment in any of the Company's own financial instruments or any of its assets occupied and/or used in its operations.

26. EQUITY

26.1 Capital Stock

Details of the Company's authorized capital stock as at December 31, 2025 and 2024 are as follows:

	<u>Shares</u>		<u>Amounts in PHP</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Preferred shares				
Authorized				
Series A – P1.00 par value	1,000,000,000	1,000,000,000	1,000,000,000	1,000,000,000
Series B – P0.10 par value	1,000,000,000	1,000,000,000	100,000,000	100,000,000
Total	<u>2,000,000,000</u>	<u>2,000,000,000</u>	<u>1,100,000,000</u>	<u>1,100,000,000</u>
Issued and outstanding:				
Issuance during the year:				
Preferred Shares – Series A-1 (CLIA1)	2,063,360	2,063,360	2,063,360	2,063,360
Preferred Shares – Series A-2 (CLIA2)	2,216,980	2,216,980	2,216,980	2,216,980
Balance at end of year	<u>4,280,340</u>	<u>4,280,340</u>	<u>4,280,340</u>	<u>4,280,340</u>
Common shares – P1.00 par value				
Authorized	<u>9,000,000,000</u>	<u>9,000,000,000</u>	<u>9,000,000,000</u>	<u>9,000,000,000</u>
Issued:				
Balance at beginning and end of year	3,623,451,997	3,623,451,997	3,623,451,997	3,623,451,997
Treasury shares	<u>(158,250,530)</u>	<u>(158,250,530)</u>	<u>(732,664,604)</u>	<u>(732,664,604)</u>
Issued and outstanding	<u>3,465,201,467</u>	<u>3,465,201,467</u>	<u>2,890,787,393</u>	<u>2,890,787,393</u>

On April 25, 2023, the BOD approved the amendment of the Articles of Incorporation (AOI) of CLI to reallocate the authorized capital stock of P10,100,000,000 to be divided as follows:

- (a) 9,000,000,000 common shares with a par value of P1 per share;
- (b) 1,000,000,000 Series A preferred shares with a par value of P1 per share; and,
- (c) 1,000,000,000 Series B preferred shares with a par value of P0.10 per share.

The amendment to the AOI was later approved by the stockholders on June 1, 2023. On October 18, 2023, the SEC officially accepted CLI's application for the amendment of its AOI, which was later approved on December 29, 2023.

On April 12, 2024, CLI issued and listed perpetual, cumulative, non-voting, non-participating, non-convertible and redeemable Philippine Peso denominated Series "A" Preferred Shares categorized and offered in two subseries (Series A-1 and Series A-2) on the main board of the PSE. Issue price for Series A-1 and A-2 is at P1,000. The additional paid-in capital resulting in the issuance amounted to P4,276,059,660 (see Note 26.2).

The initial dividend rate of the shares shall be as follows: (a) in respect of the Series A-1 Preferred Shares, at fixed rate of 7.59% per annum of the Offer price, and (b) for the Series A-2 Preferred Shares, at the fixed rate of 8.25% per annum of the offer price. The BOD has full discretion over the declaration and payment of dividends, subject to conditions and to the extent allowed by law. Accordingly, the Company classified the preferred shares as equity securities, as such discretion allows the Company to defer principal and dividend payments indefinitely [see Note 3.1(n)]. There were no similar issuances in 2025 and 2023.

The share price of the Company's common stock closed at P2.35 per share on December 26, 2025 and P2.65 per share on December 27, 2024, the last trading day in the PSE for 2025 and 2024 respectively.

The common stock of the Company that is held under nominee accounts totaled 1,284,557,145 shares and 1,289,888,375 shares as at December 31, 2025 and 2024, respectively. This represents 35% of the Company's outstanding shares as at December 31, 2025 and 2024, respectively.

The Company has no other listed equity securities as at December 31, 2025 and 2024.

26.2 Additional Paid-in Capital

On June 2, 2017, the Company made an initial public offering (IPO) of 430,000,000 unissued common shares at an offer price of P5 per share, which is equivalent to P2,150,000,000. Accordingly, the Company recognized additional paid-in capital of P1,608,917,974 in the statements of financial position after deducting the related share issuance costs of P111,082,026.

On April 12, 2024, the Company issued and listed perpetual, cumulative, non-voting, non-participating, non-convertible and redeemable Philippine Peso denominated Series "A" Preferred Shares categorized and offered in two subseries (Series A-1 and Series A-2) on the main board of the PSE. Issue price for Series A-1 and A-2 is at P1,000. The additional paid-in capital resulting in the issuance amounted to P4,247,007,247 in the statements of financial position after deducting the related share issuance costs of P29,052,413.

26.3 Treasury Shares

On February 27, 2018, the BOD of the Company approved a P250,000,000 budget for a share buy-back program and employee share option plan. On March 2022, qualified employees started exercising their share options (see Note 26.4).

On March 27, 2020, the BOD of the Company approved an additional P500,000,000 stock buy-back program over the next two years.

In relation to this program, the Company reacquired its common stock in 2021 and 2020, for P15,320,885 and P485,657,205, respectively, and presented them as Treasury Stock in the statements of financial position. No additional shares were reacquired in 2022.

In 2022, the Company has reissued 3,349,470 shares of treasury shares as a result of exercise of the same number of share options (Note 26.4).

As at December 31, 2025 and 2024, the Company has a total of 158,250,530 treasury shares amounting to P732,664,604.

26.4 Employee Share Option

On October 6, 2021, the BOD of the Company approved the Executive Share Option Plan (ESOP) for its qualified officers. The ESOP grants options to purchase the shares of the Company at a price of P2.25 or current market price with a 15% discount, whichever is higher. Shares bought under the ESOP cannot be sold, assigned, or transferred in any manner for at least six months from the exercise date. Voting and dividend rights vest upon the issuance of the shares to the employees.

Pursuant to this ESOP, on January 5, 2022, the Company granted share options to qualified officers to subscribe to 31,016,200 common shares of the Company, with the following vesting period.

- The 1st 25% of the options granted can be exercised immediately upon the year of grant;
- The 2nd 25% of the options granted can be exercised one year after the options were granted;
- The 3rd 25% of the options granted can be exercised two years after the options were granted; and,
- The last 25% of the options granted can be exercised three years after the options were granted.

In 2022, a total of 3,349,470 share options were exercised at a price of P2.40 per share using the Company treasury shares (see Note 26.3).

The fair value of the option granted was estimated using a variation of the Black-Scholes valuation model that takes into account factors specific to the ESOP. The following principal assumptions were used in the valuation:

Average option life	2.5 years
Average share price at grant date	P2.86
Average exercise price at grant date	P2.43
Average fair value at grant date	P0.15
Average standard deviation of share price returns	20.17%
Average dividend yield	14.95%
Average risk-free investment rate	2.59%

The underlying expected volatility was determined by reference to historical prices of the Company's shares.

Share option benefits expense, which is included as part of Salaries and employee benefits under the Operating Expenses account, amounting to P1,377,615, P1,369,663 and P2,115,986 was recognized in 2025, 2024 and 2023, respectively (see Note 23.1), while the corresponding credit to Share Options Outstanding account is presented as part of Equity in the statements of financial position.

26.5 Revaluation Reserves

The components and reconciliation of items of other comprehensive income (loss) presented in the statement of changes in equity at their aggregate amount under the Revaluation Reserves account are shown below.

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Balance at beginning of year		(34,689,808)	(18,288,224)	(13,910,501)
Other comprehensive loss:				
Gain (loss) on remeasurement of post-employment defined benefit obligation	23.3	(12,310,753)	(21,868,779)	(5,836,964)
Tax income (expense)	24	3,077,688	5,467,195	1,459,241
		(9,233,065)	(16,401,584)	(4,377,723)
Balance at end of year		(43,922,873)	(34,689,808)	(18,288,224)

26.6 Retained Earnings

(a) Cash Dividends

Date of Declaration	Record Date	Payment Date	Total Cash Dividends in PHP	Dividend Per Share in PHP
<u>2025</u>				
Common shares:				
March 17, 2025	April 11, 2025	April 16, 2025	519,780,220	0.15
March 17, 2025	April 11, 2025	April 16, 2025	103,956,045	0.03
			623,736,265	
Preferred shares (CLIA1):				
November 10, 2025	January 2, 2026	January 12, 2026	39,126,462	18.96
November 10, 2025	April 6, 2026	April 13, 2026	39,126,462	18.96
November 10, 2025	July 2, 2026	July 13, 2026	39,126,462	18.96
November 10, 2025	October 2, 2026	October 12, 2026	39,126,462	18.96
			156,505,848	
Preferred shares (CLIA2):				
November 10, 2025	January 2, 2026	January 12, 2026	45,725,213	20.63
November 10, 2025	April 6, 2026	April 13, 2026	45,725,213	20.63
November 10, 2025	July 2, 2026	July 13, 2026	45,725,213	20.63
November 10, 2025	October 2, 2026	October 12, 2026	45,725,213	20.63
			182,900,852	
			963,142,965	

Date of Declaration	Record Date	Payment Date	Total Cash Dividends in PHP	Dividend Per Share in PHP
<u>2024</u>				
Common shares:				
March 18, 2024	April 17, 2024	May 3, 2024	519,780,220	0.15
March 18, 2024	April 17, 2024	May 3, 2024	103,956,045	0.03
			<u>623,736,265</u>	
Preferred shares (CLIA1):				
June 14, 2024	July 2, 2024	July 12, 2024	39,126,462	18.96
June 14, 2024	October 2, 2024	October 12, 2024	39,126,462	18.96
November 21, 2024	January 2, 2025	January 12, 2025	39,126,462	18.96
November 21, 2024	April 2, 2025	April 12, 2025	39,126,462	18.96
November 21, 2024	July 2, 2025	July 12, 2025	39,126,462	18.96
November 21, 2024	October 2, 2025	October 12, 2025	39,126,462	18.96
			<u>234,758,772</u>	
Preferred shares (CLIA2):				
June 14, 2024	July 2, 2024	July 12, 2024	45,725,213	20.63
June 14, 2024	October 2, 2024	October 12, 2024	45,725,213	20.63
November 21, 2024	January 2, 2025	January 12, 2025	45,725,213	20.63
November 21, 2024	April 2, 2025	April 12, 2025	45,725,213	20.63
November 21, 2024	July 2, 2025	July 12, 2025	45,725,213	20.63
November 21, 2024	October 2, 2025	October 12, 2025	45,725,213	20.63
			<u>274,351,278</u>	
			<u>1,132,846,315</u>	
<u>2023</u>				
Common shares:				
March 20, 2023	April 18, 2023	April 28, 2023	519,780,220	0.15
March 20, 2023	April 18, 2023	April 28, 2023	103,956,044	0.03
			<u>623,736,264</u>	

The outstanding balance of unpaid dividends are presented as Dividends payable under Trade and Other Payables in the statements of financial position (see Note 16).

(b) *Appropriated Retained Earnings Releases*

On November 10, 2025, the Company's BOD approved the appropriation of P3,236,320,375 from its retained earnings for the construction of various real estate projects and financing costs that the Company expects to incur in 2026.

On November 23, 2023, the Company's BOD approved the appropriation of P6,324,658,043 from its retained earnings for the construction of various real estate projects. The real estate projects are expected to be completed from dates ranging from 2026 until 2030. There were no additional appropriations for 2025 and 2024.

In 2025, 2024 and 2023, the Company reversed certain appropriations made in previous years amounting to P1,693,661,345, P3,691,083,698 and P3,341,330,930, respectively, to unrestricted retained earnings after partial fulfillment of its intended purpose.

A portion of the Company's retained earnings, equivalent of the cost of treasury shares is legally restricted in accordance with Section 40 of the Revised Corporation Code.

27. COMMITMENTS AND CONTINGENCIES

27.1 Operating Lease Commitments – Company as Lessor

The Company is a lessor under several operating leases for certain condominium and parking units and retail building space (see Note 12). To manage its risks over these operating leases, the Company retains its legal title over the underlying assets and requires its lessee to pay security deposits at the start of the lease, which are forfeited in case a lessee pre-terminates without prior notice or before the expiry of the lease term without cause. The leases have terms ranging from one to 15 years, with renewal options, and include annual escalation from 5% to 10%.

The future minimum lease receivables under these agreements are presented below.

<i>(Amounts in PHP)</i>	2025	2024	2023
Within one year	140,720,797	106,478,509	54,456,693
Within one to two years	133,725,309	68,368,953	39,968,650
Within two to three years	129,028,438	4,881,740	25,341,618
Within three to four years	99,373,386	4,766,426	19,829,151
Within four to five years	83,353,092	278,900,304	40,696,055
More than five years	374,152,263	214,362,715	78,907,709
	960,353,285	677,758,647	259,199,876

None of the rental income in 2025, 2024 and 2023 are relating to variable lease payments.

27.2 Operating Lease Commitments – Company as Lessee

The Company entered into several short-term cancellable leases for its billboards, warehouse and staff house. Rent expense incurred from the short-term cancellable leases are shown as Rent under Operating Expenses in the statements of profit or loss (see Note 19).

As at December 31, 2025 and 2024, the expected future rentals is expected to be more or less the same with the annual rent expense recognized because of the terms of the leases, which are less than 12 months.

27.3 Completion of Sold Units

The Company is obligated to finish the sold units that are at a certain stage of completion at the time of sale. The Company recognized a contract liability, which amounts to P222,125,928 and P120,537,515 as at December 31, 2025 and 2024, respectively, when it collects more than it is entitled to based on the stage of completion of the project development (see Note 17.2).

27.4 Purchase of Land

In 2025, the Company entered into agreements in principle with multiple sellers for the acquisition of parcels of land with a total acquisition cost of P2,797,363,707. As at December 31, 2025, advance payments totaling P754,165,850 were recognized as Deposits on Land for Future Development, which form part of the acquisition cost and were subsequently reclassified to real estate inventories upon completion of the transfers (see Notes 6 and 7). There were no similar transactions in 2024.

27.5 Capital Commitments for Construction Cost

As at December 31, 2025 and 2024, the Company has capital commitments amounting to P10,596,243,140 and P6,159,277,128, respectively, for the construction of real estate inventories, property and equipment and investment properties.

27.6 Others

As at December 31, 2025 and 2024, the Company has unused long-term credit facilities amounting to P27,527,487,183 and P19,659,534,089, respectively. There are other commitments and contingent liabilities that arise in the normal course of the Company's operations that are not reflected in the financial statements because the possible outflow of economic resource as a result of present obligations is considered improbable or remote or the amount to be provided cannot be measured reliably. As at December 31, 2025 and 2024, management is of the opinion that losses, if any, from these items will not have a material effect on the Company's financial statements.

28. EVENT AFTER THE REPORTING PERIOD

On April 7, 2026, the BOD approved the declaration of regular cash dividends amounting to P0.18 per share with record date on April 22, 2026, which will be paid on May 6, 2026.

29. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to certain financial risks in relation to financial instruments. The Company's financial assets and liabilities by category are summarized in Note 30. The main types of risks are market risk, credit risk and liquidity risk. The Company's risk management focuses on actively securing the Company's short-to-medium term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns.

It does not actively engage in the trading of financial assets for speculative purposes nor does it write options. The most significant financial risks to which the Company is exposed to are described below and in the succeeding pages.

29.1 Market Risk

The Company is exposed to market risk through its use of financial instruments and specifically to foreign currency risk and interest rate risk which result from its operating, investing, and financing activities.

It has no significant foreign currency exposure risks as most of its transactions are carried out in Philippine pesos, its functional currency.

29.2 Credit Risk

Credit risk is the risk of financial loss to the Company if the counterparty to a financial instrument fails to meet its contractual obligation. To manage credit risk, the Company maintains credit policies and monitors its exposure to credit risk on a continuous basis. Receivables balances are being monitored on a regular basis to ensure timely execution of necessary collection intervention efforts. For contract receivables and contract assets, credit risk is mitigated by the Company's ability to repossess and resell the underlying property in accordance with contract terms and applicable laws. Management considers this recovery mechanism, together with historical cancellation and collection experience, in estimating expected credit losses.

(a) Maximum exposure to credit risk

The maximum credit risk exposure of financial assets is the carrying amount of the financial assets (including contract assets), as summarized below.

<i>(Amounts in PHP)</i>	Notes	2025	2024
Cash and cash equivalents	4	1,834,002,955	667,937,940
Receivables*	5	4,817,961,469	2,847,593,246
Contract assets	17.2	36,012,397,114	34,200,985,217
Due from related parties	25.1	513,290,781	664,246,029
Short-term investments	8	371,788,195	285,678,275
Refundable deposits	13	161,194,870	142,915,985
		43,710,635,384	38,809,356,692

*Receivables excludes advances to officers and employees.

The estimated fair value of collateral and other security enhancements held against contract receivables and contract assets are presented below.

<i>(Amounts in PHP)</i>	Gross Maximum Exposure	Fair Value of Collaterals	Net Exposure
2025			
Contract receivables	4,124,054,231	6,516,106,039	-
Contract assets	36,012,397,113	63,964,163,535	-
	40,136,451,344	70,480,269,574	-
2024			
Contract receivables	2,226,018,817	4,734,336,649	-
Contract assets	34,200,985,217	60,875,505,741	-
	36,427,004,034	65,609,842,390	-

(b) *Credit risk concentration*

Concentrations arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentrations indicate the relative sensitivity of the Company's performance to developments affecting a particular industry or geographic location. In order to avoid excessive concentrations of risk, the Company's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risks are controlled and managed accordingly.

An analysis of concentration of credit risk by location of the Company's contract receivables and contract assets is shown below.

<i>(Amounts in PHP)</i>	2025	2024
Cebu	16,571,857,475	16,667,768,898
Rest of Visayas	14,254,214,317	9,553,733,389
Mindanao	6,779,463,553	8,125,719,295
Luzon	2,530,915,999	2,079,782,452
	<u>40,136,451,344</u>	<u>36,427,004,034</u>

(c) *Credit Quality*

The Company classifies cash in banks as high grade as these are deposited with reputable banks.

Other receivables, due from related parties and refundable deposits are considered to be unrated. For trade receivables, standard grade pertains to receivables with no default in payments and are effectively collateralized by the real estate inventories which can be subject to repossession upon non-payment of customers after reasonable collection effort has been exerted by the Company.

The quality of the Company's financial assets as at December 31, 2025 and 2024 is shown below and in the succeeding page.

	Neither past due not impaired			Past due but not impaired	Individually impaired	Total
	High grade	Standard grade	Unrated			
2025						
Cash and cash equivalents	1,834,002,955	-	-	-	-	1,834,002,955
Receivables:						
Contract	-	4,124,054,231	-	-	-	4,124,054,231
Others	-	-	693,907,238	-	-	693,907,238
Contract assets	-	36,012,397,114	-	-	-	36,012,397,114
Due from related parties	-	-	513,290,781	-	-	513,290,781
Short-term investments	371,788,195	-	-	-	-	371,788,195
Refundable deposits	-	-	161,194,870	-	-	161,194,870
	<u>2,205,791,150</u>	<u>40,136,451,345</u>	<u>1,368,392,889</u>	<u>-</u>	<u>-</u>	<u>43,710,635,384</u>

	Neither past due not impaired			Past due but not impaired	Individually impaired	Total
	High grade	Standard grade	Unrated			
2024						
Cash and cash equivalents	667,937,940	-	-	-	-	667,937,940
Receivables:						
Contract	-	2,226,018,817	-	-	-	2,226,018,817
Others	-	-	621,574,429	-	-	621,574,429
Contract assets	-	34,200,985,217	-	-	-	34,200,985,217
Due from related parties	-	-	664,246,029	-	-	664,246,029
Short-term investments	285,678,275	-	-	-	-	285,678,275
Refundable deposits	-	-	142,915,985	-	-	142,915,985
	<u>953,616,215</u>	<u>36,427,004,034</u>	<u>1,428,736,443</u>	<u>-</u>	<u>-</u>	<u>38,809,356,692</u>

29.3 Liquidity Risk

The Company manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored regularly using short-term and rolling cash flow projections. Long-term liquidity needs for a six-month and one-year period are identified monthly. It maintains cash to meet its liquidity requirements. Excess cash are invested in short-term placements.

	Current		Non-current	
	Within Six Months	Six to 12 Months	One to Five Years	More than Five Years
<i>(Amounts in PHP)</i>				
December 31, 2025				
Interest-bearing loans and borrowings	3,422,183,864	4,403,928,257	23,683,097,154	10,559,415,553
Bonds payable	3,234,760,250	382,738,827	11,316,034,284	2,426,060,974
Trade and other payables*	<u>11,846,887,975</u>	<u>4,176,060,157</u>	<u>529,356,388</u>	<u>-</u>
	<u>18,503,832,089</u>	<u>8,962,727,241</u>	<u>35,528,487,826</u>	<u>12,985,476,527</u>
December 31, 2024				
Interest-bearing loans and borrowings	8,796,785,453	5,122,434,303	24,576,904,076	4,990,121,122
Bonds payable	168,742,525	168,742,525	5,597,779,622	-
Trade and other payables*	<u>6,678,769,232</u>	<u>6,168,750,044</u>	<u>518,315,036</u>	<u>-</u>
	<u>15,644,297,210</u>	<u>11,459,926,872</u>	<u>30,692,998,734</u>	<u>4,990,121,122</u>

* Trade and other payables excludes output VAT, government-related obligations and advance rental.

The contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of the reporting periods.

30. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES AND FAIR VALUE MEASUREMENTS AND DISCLOSURES

30.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the statements of financial position are shown below.

(Amounts in PHP)	Notes	2025		2024	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets					
At amortized cost:					
Cash and cash equivalents	4	1,834,002,955	1,834,002,955	667,937,940	667,937,940
Receivables - net ¹	5	4,817,961,469	4,817,961,469	2,847,593,246	2,847,593,246
Due from related parties	25.1	513,290,781	513,290,781	664,246,029	664,246,029
Short-term investments	8	371,788,195	371,788,195	285,678,275	285,678,275
Refundable deposits	13	161,194,870	161,194,870	142,915,985	142,915,985
		7,698,238,270	7,698,238,270	4,608,371,475	4,608,371,475
Financial Liabilities					
At amortized cost:					
Interest-bearing loans and borrowings	14	37,558,119,943	38,653,090,053	37,402,658,415	38,493,096,197
Bonds payable	15	13,874,488,611	14,481,548,887	4,964,768,926	5,102,082,489
Trade and other payables ²	16	16,552,304,520	16,552,304,520	13,365,834,318	13,365,834,318
		67,984,913,074	69,686,943,460	55,733,261,659	56,961,013,004

¹ Receivables - net excludes advances to officers and employees.

² Trade and other payables excludes output VAT, government-related obligations and advance rental.

A description of the Company's risk management objectives and policies for financial instruments is provided in Note 29.

30.2 Offsetting of Financial Assets and Financial Liabilities

The following financial assets with net amounts presented in the statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

(Amounts in PHP)	Gross amounts recognized in the statements of financial position		Net amount presented in the statements of financial position	Related amounts not set-off in the statements of financial position		
	Financial assets	Financial assets set-off		Financial instrument	Cash collateral received	Net amount
December 31, 2025						
Cash and cash equivalents	1,834,002,955	-	1,834,002,955	1,828,064,255	-	5,938,700
Short-term investments	371,788,195	-	371,788,195	371,788,195	-	-
Total	2,205,791,150	-	2,205,791,150	2,199,852,450	-	5,938,700
December 31, 2024						
Cash and cash equivalents	667,937,940	-	667,937,940	664,212,350	-	3,725,590
Short-term investments	285,678,275	-	285,678,275	285,678,275	-	-
Total	953,616,215	-	953,616,215	949,890,625	-	3,725,590

The following financial liabilities with net amounts presented in the statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

(Amounts in PHP)	Gross amounts recognized in the statements of financial position		Net amount presented in the statements of financial position	Related amounts set-off in the statements of financial position		Net amount
	Financial liabilities	Financial liabilities set-off		Financial instruments	Cash collateral received	
December 31, 2025						
Interest-bearing loans	<u>37,558,119,943</u>	<u>-</u>	<u>37,558,119,943</u>	<u>2,199,852,450</u>	<u>-</u>	<u>35,358,267,493</u>
December 31, 2024						
Interest-bearing loans	<u>37,402,658,415</u>	<u>-</u>	<u>37,402,658,415</u>	<u>949,890,625</u>	<u>-</u>	<u>36,452,767,790</u>

For financial assets and financial liabilities subject to enforceable master netting agreements or similar arrangements above, each agreement between the Company and counterparties (i.e., banks) allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis, however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

30.3 Fair Value Measurements and Disclosures

(a) Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value.

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and,
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Classification within the fair value hierarchy is determined based on the lowest level of input that is significant to the measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Company uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

(b) *Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed*

The table below summarizes the fair value hierarchy of the Company's financial assets and financial liabilities, which are not measured at fair value in the 2025 and 2024 statements of financial position, but for which fair value is disclosed (see Note 30.1).

<i>(Amounts in PHP)</i>	Level 1	Level 2	Level 3	Total
2025				
<i>Financial assets:</i>				
Cash and cash equivalents	1,834,002,955	-	-	1,834,002,955
Receivables – net ¹	-	-	4,817,961,469	4,817,961,469
Due from related parties	-	-	513,290,781	513,290,781
Short-term investments	371,788,195	-	-	371,788,195
Refundable deposits	-	-	161,194,870	161,194,870
	2,205,791,150	-	5,492,447,120	7,698,238,270
<i>Financial liabilities:</i>				
Interest-bearing loans	-	-	38,653,090,053	38,653,090,053
Bonds payable	-	-	14,481,548,887	14,481,548,887
Trade and other payables	-	-	16,552,304,520	16,552,304,520
	-	-	69,686,943,460	69,686,943,460
2024				
<i>Financial assets:</i>				
Cash and cash equivalents	667,937,940	-	-	667,937,940
Receivables – net ¹	-	-	2,847,593,246	2,847,593,246
Due from related parties	-	-	664,246,029	664,246,029
Short-term investments	285,678,275	-	-	285,678,275
Refundable deposits	-	-	142,915,985	142,915,985
	953,616,215	-	3,654,755,260	4,608,371,475
<i>Financial liabilities:</i>				
Interest-bearing loans	-	-	38,493,096,197	38,493,096,197
Bonds payable	-	-	5,102,082,489	5,102,082,489
Trade and other payables	-	-	13,365,834,318	13,365,834,318
	-	-	56,961,013,004	56,961,013,004

¹ Receivables excludes advances to officers and employees.

² Trade and other payables excludes output VAT, government-related obligations and advance rental.

Management has determined that the carrying amounts of the Company's financial assets and liabilities measured at amortized cost approximate their fair values due to their short-term nature, except for interest-bearing loans and borrowings and bonds payable, whose fair values were determined using discounted cash flow techniques based on market rates.

(c) *Fair Value Measurement for Non-financial Assets*

The Company has no non-financial assets measured at fair value as at December 31, 2025 and 2024.

The table below shows the Levels within the hierarchy of investment property, which are not carried at fair value but whose fair value are required to be disclosed on a recurring basis (see Note 12).

<i>(Amounts in PHP)</i>	Level 1	Level 2	Level 3	Total
December 31, 2025	-	-	12,424,867,013	12,424,867,013
December 31, 2024	-	-	11,515,966,121	11,515,966,121

The fair value of the Company's investment properties was determined based on independent appraisals using market-based valuation techniques.

To some extent, the valuation process was conducted by the appraiser in discussion with the Company's management with respect to the determination of the inputs such as the size, age, and condition of the parcels of land and buildings, and the comparable prices in the corresponding property location.

The fair value of these parcels of land, condominium units, parking units, construction-in-progress and retail building were determined based on the following approaches:

(i) *Fair Value Measurement for Land, Condominium Units, Parking units and Retail Buildings*

The Level 3 fair value of the parcels of land, condominium units, retail building and parking slots under Investment Properties account was determined using the market approach, adjusted for differences in key attributes such as properties size, zoning and accessibility.

Under the market approach, when comparable lease offerings of similar properties and sales prices of comparable land properties in close proximity are used in the valuation of the subject property with insignificant adjustment on the price, fair value is included in Level 2. Consequently, if the observable recent prices of the reference properties were adjusted significantly for differences in key attributes such as properties size, zoning and accessibility, the fair value is included in Level 3. The most significant input into this valuation approach is the price per square foot; hence, the higher the price per square foot, the higher the fair value.

(ii) *Fair Value Measurement for Improvements under Retail Buildings*

The Level 3 fair value of building improvements presented as part of retail buildings under Investment Properties account was determined using the cost approach that reflects the cost to a market participant to construct an asset of comparable usage, construction standards, design and layout, adjusted for obsolescence. The more significant inputs used in the valuation include direct and indirect costs of construction such as but not limited to, labor and contractor's profit, materials and equipment, surveying and permit costs, electricity and utility costs, architectural and engineering fees, insurance and legal fees. These inputs were derived from various suppliers and contractor's quotes, price catalogues, and construction price indices. Under this approach, higher estimated costs used in the valuation will result in higher fair value of the properties.

There has been no change on the valuation techniques used by the Company, except as indicated above, during the period for its investment properties. There were no transfers into or out of Level 2 fair value hierarchy for the years ended December 31, 2025 and 2024.

31. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Company's capital management objectives are to ensure the Company's ability to continue as a going concern and to provide an adequate return to shareholders by pricing products and services commensurate with the level of risk.

The Company monitors capital on the basis of the carrying amount of equity as presented in the statements of financial position. Capital for the reporting periods under review is summarized as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Total interest-bearing loans and borrowings and bonds payable	51,432,608,554	42,367,427,341
Total equity	22,666,633,837	20,504,875,848
Debt-to-equity ratio	<u>2.27:1.00</u>	<u>2.07:1.00</u>

The Company's goal in capital management is to limit a maximum debt-to-equity structure ratio of 75:25 on a monthly basis. The Company is required to maintain certain financial ratios in relation with its borrowings (see Notes 14 and 15). The Company has complied with its covenant obligations for both years ended December 31, 2025 and 2024.

The Company sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Company also monitors its DSCR at consolidated level in each of the reporting periods. The DSCR measures the ability to meet debt service obligations from operating results. As at December 31, 2025 and 2024, the DSCR at consolidated level is 1.04:1.00 and 1.05:1.00, respectively.

32. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Presented below is the reconciliation of the Company's liabilities arising from financing activities, which includes both cash and non-cash changes.

<i>(Amounts in PHP)</i>	Bank Loans (see Note 14)	Lease Liabilities (see Note 11.2)	Bonds Payable (see Note 15)	Total
Balance as at January 1, 2025	37,402,658,415	1,009,720,896	4,964,768,926	43,377,148,237
Cash flows from financing activities:				
Additional borrowings - net	25,157,126,891	-	8,876,780,500	34,033,907,391
Repayments	(25,092,159,015)	(40,298,913)	-	(25,132,457,928)
Non-cash financing activities:				
Amortization of debt issue cost	90,493,652	-	32,939,185	123,432,837
Interest amortization on lease obligation	-	69,540,853	-	69,540,853
Balance as at December 31, 2025	37,558,119,943	1,038,962,836	13,874,488,611	52,471,571,390
Balance as at January 1, 2024	35,957,686,742	977,466,017	4,947,822,521	41,882,975,280
Cash flows from financing activities:				
Additional borrowings - net	13,789,278,958	-	-	13,789,278,958
Repayments	(12,444,183,494)	(41,160,078)	-	(12,485,343,572)
Non-cash financing activities:				
Amortization of debt issue cost	99,876,209	-	16,946,405	116,822,614
Interest amortization on lease obligation	-	68,238,917	-	68,238,917
Additional lease liabilities	-	5,176,040	-	5,176,040
Balance as at December 31, 2024	37,402,658,415	1,009,720,896	4,964,768,926	43,377,148,237
Balance as at January 1, 2023	29,453,443,408	948,091,184	4,930,582,631	35,332,117,223
Cash flows from financing activities:				
Additional borrowings - net	11,434,269,173	-	-	11,434,269,173
Repayments	(5,050,319,185)	(36,783,822)	-	(5,087,103,007)
Non-cash financing activities:				
Amortization of debt issue cost	120,293,346	-	17,239,890	137,533,236
Interest amortization on lease obligation	-	65,882,750	-	65,882,750
Amendment of lease contract	-	275,905	-	275,905
Balance as at December 31, 2023	35,957,686,742	977,466,017	4,947,822,521	41,882,975,280

33. SUPPLEMENTARY INFORMATION ON NON-CASH INVESTING AND FINANCING ACTIVITIES

Discussed below and in the succeeding page are the supplementary disclosures of significant non-cash investing and financing activities that are relevant to the statements of cash flows of the Company.

- (a) In 2024, the Company recognized additional right-of-use assets and corresponding lease liabilities amounting to P5,176,040 arising from newly executed lease contracts. In 2023, lease liabilities amounting to P275,905 were recognized as a result of amendments to existing lease contracts. There were no similar non-cash lease transactions in 2025 (see Notes 11 and 32).
- (b) In 2025, 2024 and 2023, borrowing costs that were capitalized as part of Property and Equipment and Investment Properties totaled to P2,001,458,585, P1,355,553,737 and P771,101,121, respectively (see Notes 10 and 12).

- (c) In 2025, 2024 and 2023, the Company recognized unpaid construction costs of P110,004,301, P30,648,280 and P200,850,686, respectively, as additions to Property and Equipment (see Note 10). Also in 2025, unpaid construction costs amounting to P524,214,793 was recognized as additions to Investment Properties. In 2024 and 2023, the Company recognized net reductions in accrued construction costs related to Investment Properties amounting to P424,623,757 and P855,966,242, respectively, as settlement and reversals exceeded the unpaid construction costs during the year (see Note 12).
- (d) In 2025 and 2023, the Company reclassified property and equipment with carrying amounts of P1,696,949 and P2,003,261 to real estate inventories (see Notes 6 and 10). In 2024, the Company reclassified real estate inventory and investment property to property and equipment with carrying amounts of P2,200,604 and P312,500, respectively (see Notes 6, 10 and 12).
- (e) Unpaid dividends in relation to CLI's Series A-1 and A-2 preferred shares amounted to P339,406,706 as at both December 31, 2025 and 2024, and is presented as Dividends payable under Trade and Other Payables in the statements of financial position.
- (f) In 2024, the BOD approved the Company's intent to enter into negotiations with ABS for the sale 30% of its shareholdings with CLI NUD in the amount of P237,832,347, reclassifying portion of the investment in joint venture to NCAHFS.

In 2025, the planned sale was cancelled, and the asset previously classified as NCAHFS was reclassified back to investment in joint venture (see Note 9.3). Further in 2025, the Company obtained control over CLI NUD through a step acquisition. As a result, the Company's investment in CLI NUD was reclassified from investment in joint venture to investment in subsidiaries at the acquisition date (see Note 9.3).

- (g) In 2025 and 2024, the Company sold certain investment properties with carrying amounts of P540,355,095 and P470,900,926, respectively, for P1,073,254,465 and P854,062,500, respectively (see Note 12). As at December 31, 2025 and 2024, the total outstanding balance from the transactions amounted to P1,873,283,139 and P837,666,834, respectively, which are presented as part of Contract receivables under Receivables account in the statements of financial position (see Note 5).

34. SUPPLEMENTARY INFORMATION REQUIRED BY THE BUREAU OF INTERNAL REVENUE (BIR)

Presented below and in the succeeding pages is the supplementary information which is required by the BIR under its existing revenue regulations to be disclosed as part of the notes to financial statements. This supplementary information is not a required disclosure under PFRS Accounting Standards.

(a) Output VAT

In 2025, the Company declared output VAT as follows relating to sale of real estate:

<i>(Amounts in PHP)</i>	Tax Base	Output VAT
Taxable sales	4,877,027,721	585,243,329
Exempt sales	4,222,216,864	-
Zero-rated services	4,790,928,874	-
	13,890,173,459	585,243,329

The Company's taxable real estate sales (at 12% and 0%) and VAT-exempt real estate sales were determined pursuant to Section 106, *VAT on Sale of Goods or Properties*, and Section 109, *VAT-Exempt Transactions*, of the 1997 NIRC, as amended.

The tax base for the real estate sales is based on the provisions under the VAT regulations (installment plan or deferred payment basis); hence, may not be the same as the amounts reported in the 2025 profit or loss of the Company for financial reporting purposes.

(b) Input VAT

The movements in input VAT for the year ended December 31, 2025 are summarized below *(Amounts in PHP)*.

Balance at beginning of year	438,641,381
Goods for resale/manufacture or further processing	196,124,768
Services lodged under cost of goods sold and other accounts	
Capital goods subject to amortization	1,004,414
Capital goods not subject to amortization	917,524
Services rendered by non-residents	529,595,839
Allocable to exempt sales	(234,106,951)
Applied against output VAT	(671,365,768)
Balance at end of year	260,811,207

(c) *Taxes on Importation*

The Company had one importation transaction during 2025. The details are presented as follows (*Amounts in PHP*):

Dutiable value	7,545,970
Other charges	100,068
Total landed cost	7,646,038
VAT on importation rate	12%
Balance at end of year	917,525

(d) *Excise Tax*

The Company did not have any transactions in 2025, which are subject to excise tax.

(e) *Documentary Stamp Tax (DST)*

The details of the DST that was accrued and paid by the Company in 2025 are as follows (*Amounts in PHP*):

Loans/Bonds/Mortgage	92,558,142
Conveyance of properties	80,997,758
Rentals	972,611
	174,528,511

(f) *Taxes and Licenses*

Details of taxes and licenses in 2025 are as follows (*Amounts in PHP*):

DST	174,528,511
City treasurer's office	48,630,356
Bureau of internal revenue	25,582,838
Land registration authority	24,918,790
Registry of deeds	20,014,896
Transfer taxes	13,666,333
Real property tax	13,440,583
Creditable withholding taxes	11,673,078
Business taxes and permits	8,503,775
Securities and exchange commission	3,679,509
Bureau of fire protection	1,674,534
Pag-IBIG processing fee	856,659
Real estate mortgage registration fees	408,160
Others	1,013,005
	348,591,027

(g) *Withholding Taxes*

Details of total withholding taxes for the year ended December 31, 2025 are as follows
(Amounts in PHP):

Expanded	281,419,641
Final	162,729,778
Compensation and employee benefits	<u>81,330,844</u>
	<u>525,480,263</u>

(h) *Deficiency Tax Assessments and Tax Cases*

In 2025, the Company did not make any payments for deficiency taxes on income tax, VAT, or withholding taxes. Accordingly, no amounts related to deficiency taxes or the corresponding interest were recognized in the 2025 statement of profit or loss.

As at December 31, 2025, the Company does not have any final deficiency tax assessments with the BIR nor tax cases outstanding or pending in courts or bodies outside the BIR in any of the open taxable years, except for the final deficiency tax assessments for taxable year 2022, which were subsequently settled in January 2026.



SEC 17-A Annex A: Sustainability Report

2025

Annex A: Reporting Template

Contextual Information

Company Details	
Name of Organization	Cebu Landmasters, Inc.
Location of Headquarters	10th Floor Park Centrale, Jose Ma. Del Mar St., Cebu IT Park, Brgy. Apas, Cebu City
Location of Operations	The Company, with projects in varying stages of development, is currently present in 12 provinces, 18 cities, 6 municipalities, and 62 barangays in the Luzon, Visayas and Mindanao Regions.
Report Boundary: Legal entities (e.g. subsidiaries) included in this report*	<u>Subsidiaries:</u> A.S. Fortuna Property Ventures, Inc. ("ASF") BL CBP Ventures, Inc. ("BL Ventures") CCLI Premier Hotels, Inc. ("CCLI") Cebu Homegrown Developers, Inc. ("CHDI") Cebu Landmasters Property Management, Inc. ("CPM") Cebu Luzon Ventures, Inc. ("CLVI") Cebu-BL Ramos Ventures, Inc. ("CBLRV") CLI Hotels and Resorts Inc ("CHR"). CLI Mac Developers, Inc. ("CLI Mac") CLI NUD Ventures, Inc. CLI Premier Hotels Int'l. Inc. ("CPH") CLI-LITE Panglao Inc. ("CLI-LITE") El Camino Developers Cebu, Inc. ("El Camino") GGTT Realty Corporation ("GGTT") Ming-mori Development Corporation ("MDC") Mivesa Garden Residences, Inc. ("MGR") Sugbo Prime Estate, Inc. ("SPE") YHES Premier Hotel Inc. ("YHESPH") YHEST Realty and Development Corporation ("YHEST") Yuson Excellence Soberano, Inc. ("YES") Yuson Huang Excellence Soberano, Inc. ("YHES") <u>Associates:</u> Icom Air Corporation ("ICOM") Iloilo Global City Corporation ("IGCC") MagsPeak Nature Park, Inc. ("MagsPeak")
Business Model, including Primary Activities, Brands, Products, and Services	Cebu Landmasters, Inc. (CLI) is the leading developer in Visayas and Mindanao (VisMin). The Company is mainly engaged in residential development both in vertical and horizontal projects located in key cities and urban areas in VisMin. Key brands include: Premier series (High-end), Garden Series (Mid-Market), Casa Mira (Economic) and Villa Casita (Socialized Housing). CLI is also currently building up its leasing portfolio through more ventures in office, retail, hotels and resort, townships and estate developments.

	Key activities include: Land Acquisition, Business Development, Planning and Design Development, Construction, Marketing, Sales, Commercial Operations (Leasing) and Property Management.
Reporting Period	January 1, 2025 to December 31, 2025
Highest Ranking Person responsible for this report	Jose Franco B. Soberano Chief Sustainability Officer / Chief Operations Officer

**If you are a holding company, you could have an option whether to report on the holding company only or include the subsidiaries. However, please consider the principle of materiality when defining your report boundary.*

Materiality Process

CLI determined its list of material topics through a comprehensive process that integrated data assessments, management reviews, and stakeholder engagements conducted in previous years with its performance management system developed in 2023 and further enhanced in the succeeding years. To begin its assessment, CLI aligned its sustainability strategy with its vision, mission, core values, strategy, and core competencies, making sure that its sustainability efforts are authentically rooted in its core business and corporate identity. CLI then accounted for all its tangible and intangible capitals that allow it to develop its products and provide services. The Company recognizes both its dependencies and impacts on these capitals, striving to minimize negative impacts to these capitals. The capitals are:

Natural

Environmental resources that the Company uses, and which all capitals draw from, including:

- Landbank - 118 hectares
- Energy - 77,223.54 GJ consumed
- Water - 1,768,088.24 m³ consumed
- Materials (non-renewable):
 - Sand - 72,973.80 m³
 - Gravel - 47,171 m³
 - Cement - 61,485,894 kg
 - Rebars - 18,241,318.71 kg
 - Glass - 18,799 m²
 - Limestone - 6,000 m³
 - Ready Mix Concrete - 1,467,769 kg
- Materials (renewable):
 - Lumber/Wood - 550,313 bd.ft

Intellectual

The Company's knowledge base, brand, reputation, track record, including:

- Local knowledge / market leadership in Vismin
- After-sales and property management support
- Digital customer experience
- Fast turn over of projects
- Award-winning design

Social/Relationship

The Company's relationships with its stakeholders, such as host communities, and external publics, including:

- 24 Joint Venture Entities
- Network of 1,991 accredited brokers/sellers (with 152 newly accredited in 2025)
- LGU/Community Partners in 12 provinces, 24 cities and municipalities, and 62 barangays

Manufactured

Man-made assets including its real estate products in various stages of development, including:

- 103 residential projects
- 6 Offices
- 10 Mixed-use
- 3 Estates
- 10 Hotels
- 797 room keys completed
- 919 room keys under construction
- 71 sqm total Gross Leasable Area (GLA) completed
- 17,146.50 sqm GLA under construction

Financial

Funds used to build and provide services, including:

- 16. billion worth of capital expenditures in 2025

Human

CLI employees and their skills, competencies, and experiences, including:

- 1,390 direct hires
 - CLI - 1,009
 - CLI PM - 202
 - Ascott - CITADINES - Bacolod - 70
 - Ascott - CITADINES - Cebu - 40
 - Ascott - LYF - Cebu - 19
 - The Pad - 35
 - Construction (In-house) - 12
 - CLI Foundation- 3
- 9,215 indirect hires (contractors' workforce and CLFI)

Exercises and assessments were conducted per department and with cross-functional teams, which provided significant inputs for the materiality process review. In addition, CLI identified its impacts based on the Company's key business activities in the value chain or end-to-end process and in the six capitals. Global megatrends were studied and localized against these impacts to further refine them. The Company also reviewed its risks by aligning the risk management process with the materiality process, providing a clearer picture of the most relevant topics to the Company.

CLI regularly engages its stakeholder groups via multi-channel approaches to identify and address their concerns and interests. Insights from stakeholder engagements served to inform CLI's ranking and prioritization of material topics in its materiality matrix, which maps out the importance of each

sustainability topic to the Company against its importance to stakeholders. With this matrix, CLI focused on the topics that matter most to the Company and its stakeholders.

To integrate these material topics into its operations, CLI developed its performance measurement and management system in the form of corporate, departmental, and individual balanced scorecards. Featured in these scorecards are specific key performance indicators (KPIs) based on the identified material topics, allowing the Company to track its sustainability performance across organizational levels in line with its sustainability strategy. Hence, the scorecard reflects all aspects that matter most to CLI.

CLI's Material Topics 2025

Economic

- Economic Performance (Generation and Distribution)
- Products for Low-Income Segment
- Compliance to Regulatory Requirements / Permits and Licenses
- Procurement Practices
- Local Sourcing
- Significant Indirect Economic Impacts / Jobs Created or Workforce Supported
- Anti-Corruption

Social

- Customer Engagement, Experience, and Satisfaction
- Employee Safety, Health, and Well-being
- Customer Safety and Health
- Customer Privacy and Data Security
- Local Communities: Partnerships & Development Programs
- Compliance to Labor Laws/Standards
- Training and Development
- Talent Attraction and Retention
- Diversity and Equal Opportunity
- Marketing and Labeling

Environmental

- Land, Water, Energy, Materials
- Climate-related Risks, Opportunities: Mitigation and Adaptation
- Compliance to Environmental Laws
- Environmental Impacts: Emissions, Solid Waste, Hazardous Waste, Effluents
- Ecosystems and Biodiversity

Governance

- Risk Management
- Organizational Efficiencies / Alignment: Optimizing Business Processes
- Digital/Technological Innovation
- Governance and Ethics

ECONOMIC

As CLI embarks on a new strategic direction, the 2025 Strategic Planning session in Bangkok served as a pivotal bridge between the Company's past and future, evaluating its performance over the last five years while charting a roadmap for the next five.

Back in the 2020 Strategic Planning session at Citadines Cebu City, company leaders set an ambitious goal: despite the global challenges of the pandemic, CLI committed to a ₱21 billion revenue target including lot sale by 2025. Now, CLI is proud to announce that it has successfully hit this milestone, providing a strong foundation for the next five-year chapter targeting a 15% CAGR, which will be driven by strengthening the Company's foothold in Luzon, acquiring quality landbanks to support growing annual launches, and operating 200k GLA in leasing and 10 hotels by 2030.

Beyond financial goals, the Company also established a new Vision and Mission statement, banking on its achievement of being the No. 1 developer in VisMin. In 2025, the masterplan for 2030 was laid—strengthened strategy, advanced innovation and ESG, and reinforced foundations, positioning the Company for the next phase of growth— Building the CLI of the Future.

VISION

To be the Philippines' leading and most trusted developer — where every project brings fulfillment to customers and progress to communities.

MISSION

We commit to deliver masterful real estate experiences that uplift lives and meaningfully contribute to nation-building.

Economic Performance

Direct Economic Value Generated and Distributed

Disclosure	2024 Amount ¹	2025 Amount	Units
Direct economic value generated (revenue)	18,647,297,898.00	18,517,428,402.00	PhP
Direct economic value distributed:			
a. Operating costs	3,200,859,671.00	3,852,350,893.00	PhP
b. Employee wages and benefits	685,702,320	983,074,570.75	PhP
c. Payments to suppliers, other operating costs	6,089,204,293	13,925,945,938.00	PhP
d. Dividends given to stockholders and interest payments to loan providers	4,151,168,409	6,508,329,705.00	PhP
e. Taxes given to government	1,695,493,806	2,482,015,383.00	PhP

¹ 2024 data for direct economic value generated (revenue) and operating costs are restated.

f. Investments to community (e.g. donations, CSR)	43,156,782.98	38,541,319.88	PhP

Impacts

CLI has consistently delivered positive impacts for its employees, customers, host communities, local economies and other stakeholders through its core operations. The Company aims to improve the landscape of the localities through developing well-planned, accessible, inclusive, and resilient spaces. In the process, the Company boosts economic activity by prioritizing locally-sourced labor, services, and materials, thereby creating job opportunities throughout its projects. The thoughtful development of its projects also fosters the growth of micro, small and medium businesses, rental units, and other support services, while expanding access to quality housing for low-to-middle-income markets.

On the contrary, CLI recognizes the actual and potential negative impacts of its operations on the environment. As urbanization accelerates, development activities may lead to traffic congestion, noise, and air pollution. Construction processes also rely heavily on non-renewable materials such as fossil fuels, contributing to the emission of greenhouse gases. Consequently, land-use changes drive biodiversity loss affecting the natural processes of flora and fauna. In response, the Company commits to social responsibility and due diligence by implementing programs and initiatives curated to mitigate these impacts while striving to serve its stakeholders.

Management Approach and Metrics

CLI maintained its leadership in the Visayas and Mindanao with a 17% residential sales take-up, reflecting strong market presence and brand trust in 2025. It sustained its strong financial trajectory by the end of the year, achieving a 45% year-on-year growth in reservation sales, bringing total outstanding receivables from takeouts to over PHP 96 billion. The Company also expanded its market leadership in Visayas and Mindanao, with a market share of 18% in residential takeover, according to the Colliers Real Estate Market Study 2025.

To fuel its expansion in the Visayas-Mindanao market, CLI offered preferred shares to shareholders, diversifying funding sources and raising equity capital while reinforcing investor confidence. CLI's fast-selling projects in 2025 were One Manresa Place, CM Homes GenSan, CMT Palawan Tower 7. These projects contributed to local economies by creating thousands of direct and indirect jobs, boosting property values, and generating increased economic activity in surrounding communities.

CLI fosters good relationships with its investors through multiple channels, including real-time disclosures via the Philippine Stock Exchange (PSE) EDGE website, monthly updates through the "Maestro" newsletter, investor engagements, local and international non-deal roadshows, and company performance reports. By prioritizing transparency, strong economic performance, and timely dividend declarations, CLI builds trust with its shareholders, ensuring continued access to financial capital for future business development.

Expansion to Luzon

CLI finally opens its Luzon office at the CWC Design Center in Makati City, marking its first regional office outside Visayas and Mindanao. The new 329-square-meter space houses the Manila Sales Office, Investor Relations Office, a showroom, and spaces for training and conferences, serving as a hub for stakeholder collaboration and showcasing the Company’s latest projects. The Company also acquires its first Luzon property and cements partnership with NTT UD Asia Pte. Ltd. to develop a mixed-use project in Pasig City that shall be launched in 2026.

Sustainability Linked Bonds & Notes and ATRAM Recognition

CLI raised PHP 4 billion from its oversubscribed Series F, G, and H sustainability-linked bonds (SLB) and notes under its PHP 15 billion shelf-registration program. The proceeds shall fund sustainability-related projects, deliver over 16,000 affordable homes by 2029, and advance the company’s ESG initiatives. The Company’s inclusion in the ATRAM Philippine Sustainable Development and Growth Fund further highlights this progress, recognizing CLI as one of the top 20 listed firms in the Philippines that combine strong financial performance with strong ESG practices.

CLI’s SLB are notable for emphasizing the social aspect of ESG, as most causes focus mostly on net-zero or carbon emission targets. Through this blended finance approach, the Company uses sustainable financing to help address the Philippines’ 6.7-million housing backlog by expanding affordable housing developments in different locations.

Strong support from institutional investors such as BPI Wealth and Sun Life Investment Management and Trust Corporation (SLIMTC) reflects confidence in CLI’s growth strategy and advocacy. Since its IPO in 2017, the Company has regularly tapped the capital markets to boost its expansion from its first bond in 2022, preferred share issuance in 2024, and its first SLB in 2025, demonstrating transparency and disciplined financial management. ATRAM also cited CLI’s socio-environmental initiatives—including biodiversity conservation and green skills capacity building supporting livelihood programs—as key reasons for recognizing the Company’s positive impact on communities and the environment.

[Climate-related risks and opportunities²](#)

Governance

CLI has formed a Sustainability Council, composed of Sustainability Champions from different departments/functions/units, that is responsible for the discussion of all sustainability-related issues, risks, opportunities, and strategies. The council’s findings are then regularly reviewed by the Sustainability Team, who documents, tracks, consolidates and analyzes data from all departments.

At the board level, the Company’s Risk Oversight Committee, along with the Corporate Governance Committee, chaired by independent directors, oversee the Company’s sustainability-related risks or

² Adopted from the Recommendations of the Task Force on Climate-Related Financial Disclosures. The TCFD Recommendations apply to non financial companies and financial-sector organizations, including banks, insurance companies, asset managers and asset owners.

opportunities (SRROs) and climate-related risks or opportunities (CRROs). These committees guide the direction in setting SRRO-related targets based on industry standards and best practices.

Moving forward, CLI intends to strengthen its focus on the identification of specific SRROs and CRROs across all fronts, especially in the design, pre-development, construction, operations, and property management phases of the Company's projects.

Strategy

CLI has identified the following climate-related risks and opportunities it faces over the short, medium and long term:

Risks	Impact on business, strategy, and financial planning
Damages and disruptions from typhoons, heavy floods, earthquakes, and other natural calamities (Physical)	- Property damage and high repair and maintenance costs - Cost of insurance, retrofitting, and/or installation of mitigating structures in damaged or vulnerable properties and construction sites - Resource scarcity / unavailability of materials, supply chain interruptions, materials delivery disruption or transport challenges which delay project delivery - Lost revenue from diminished attractiveness of damaged or vulnerable properties - Decline in sales or postponed income streams due to reduced demand or shift spending to basic needs/essentials - Changes and improvements in the Company's process in conducting risk assessments in project sites - Process enhancements and changes in resource applications for the conduct of physical safety training for projects in high-risk areas
Sea level rise / coastal flooding and increase in peak river flow (Physical)	
Limited supply of coal due to regulations (Transition)	- Increased operational costs due to higher water rates and disruptions and delays; may also pose financial risks due to delayed project completion - Effort and cost of finding alternative sources and suppliers - Lost revenue from diminished attractiveness of properties with unreliable supply of utilities
Water stress / limited supply of water due to changing climate and natural systems (Physical/Transition)	
Extreme heat / heatwave (Physical)	- Increased operational costs due to disruptions and delays - Increased energy costs in managed properties for cooling
Regulation of carbon-intensive products and activities (Transition)	- Penalties and other disincentives against carbon emissions - Cost of shifting suppliers and other adjustments to comply with carbon regulations

Technological / Construction Risks (Transition)	Increasing investments in R&D and technological innovations to comply with stringent building codes and additional reporting standards which mandate building and energy efficiency
Changing market preferences (Transition)	As potential buyers become more aware of the impacts of climate change, they expect real estate products to be more eco-efficient (with renewable energy sources) and more resilient
Change in investor sentiment (Transition)	Investors may favor low-carbon real estate assets to align their portfolio to climate goals
Opportunities	Impact on business, strategy, and financial planning
Use of renewable energy sources	- Lower energy costs due to incentives associated with renewable energy and onsite solar facilities - Competitive advantage due to customer preference for more sustainable properties - Access to increased financial capital due to incentivization of green bonds
Development of energy efficient building designs	
Use of sustainable building materials to future-proof real estate assets	Ensure higher efficiency standards in construction to reduce future energy dependence during operations
Enhancement of internal business processes, organizational movements to mitigate risks	Ensure alignment in identifying and addressing ESG issues across the end-to-end process of the business

Risk Management

CLI's Board Risk Oversight Committee (ROC) is responsible for advising the Board of Directors for high level risk-related concerns. The Company's Enterprise Risk Management (ERM) framework then lays out the process for risk identification while taking into account the insights of the Sustainability Champions. The existing risk mitigation strategies are regularly reviewed, while emerging risks are assessed by cross-functional teams across departments and the organization. The Strategic Business Units (SBUs) and the Sustainability Champions also contribute their inputs to enhance the process.

The Risk Steering Committee arranges regular meetings to conduct a multi-disciplinary evaluation and ensure a comprehensive approach to managing corporate risks. This process enables the organization to analyze silos and gather information from various departments, units, and external stakeholders to achieve effective scenario planning for the Company's most significant risks.

Assessment of which emerging risks hold the capacity to turn into growth opportunities and which threats should be diminished. The CRO then reports the key findings to the executive committee to

determine the prioritization of risks and their treatment, and the approval of potential investments or expenses for mitigation. The ROC gives the final comments and recommendations regarding these outcomes. CLI works on continuous refinement of its processes for the identification and assessment of CRROs to properly define the integration of climate-related risk management in its existing ERM framework.

Furthermore, CLI operates a dedicated Corporate Finance Department that supervises financial projections and monitoring at both the corporate and project levels. Through close engagement with project teams, it assesses financial forecasts, reviews investment opportunities, and ensures alignment with strategic objectives, supporting sustainable growth and value creation through organized resource allocation and risk management.

Metrics and Targets

CLI is developing a list of metrics and targets to measure CRROs, as well as its performance in relation to these, to align with its sustainability strategy. Initial assessment and guidance can be based on the following metrics:

- Energy consumption and costs
- Water consumption
- Costs of mitigating or addressing property damage from physical climate risks, such as insurance (e.g. Contractors' All Risk Insurance) and repair costs
- Costs of mitigation and adaptation measures applied to projects with or adjacent to natural water features or those with inherent natural hazards
- Cost of addressing construction disruptions and delays, such as labor and raw materials supply
- Revenues across properties of varying climate vulnerability and sustainability features

Procurement Practices

Proportion of spending on local suppliers

Disclosure	2024 Quantity	2025 Quantity	Units
Percentage of procurement budget used for significant locations of operations that is spent on local suppliers:			
Visayas & Mindanao	79	80	%
Luzon	20	18	%
Foreign	1	2	%

Impacts

CLI is committed to driving national economic growth by prioritizing Filipino enterprises in its procurement strategy to foster domestic economic resilience. By localizing the supply chain, the Company stimulates economic activity, creating jobs, and encouraging the competitiveness of small businesses. Through this support for Filipino suppliers, CLI also promotes sustainable development and

greater self-reliance in the national economy. This signifies better efficiency, reduction in cost and carbon footprint considering easier transportation, and less risk of supply chain disruption, while maintaining ties with vendors within the Visayas and Mindanao regions.

Risks

Construction, including the procurement process, entails risks particularly schedule delays, inaccurate cost estimation, and noncompliance to quality standards. External factors such as unforeseen site conditions, disruptive weather events, labor and materials shortages, and equipment and machinery malfunction may also add to setbacks and increased costs. These risks are managed through proactive project planning, meticulous contractor evaluation and selection, effective contract management, and continuous project monitoring.

Management Approach

The procurement of goods and services of CLI is centralized at its headquarters with the Supply Chain Management Department overseeing the purchasing of goods, while the Engineering Department is responsible for managing the contracted services. The Company follows a pre-qualification process in screening contractors and suppliers to ensure their legitimacy and performance capabilities, as well as to confirm that these vendors meet the Company's standards including code of conduct, workplace and facility standards, human rights and the environmental concerns. CLI's processes are further enhanced by curating a materials inventory management system for owner-supplied materials per strategic business unit. In 2025, CLI allocated 80% of its procurement budget to Visayas and Mindanao vendors, 18% to Luzon vendors, and 2% to foreign vendors.

Process Standardization and Digitalization of CLI's Engineering Department

In 2025, the Engineering Department accomplished the standardization and documentation of key construction processes—including Engineering overall process, estimating and cost planning process, contractors' bidding and awarding procedure, revised contractors' billing process, change orders and purchase requests — with full management approval and implementation. This initiative involves different teams namely Corporate Engineering, Planning and Cost Control (PCC), Quantity Surveying (QS), Bidding/Contracts, Site Teams, Supply Chain Management, Business Process Management, and the CEO and COO. As a result, it improved collaboration and alignment within the Company, and strengthened monitoring and control of construction costs and schedules. The Engineering Overall Process Map now serves as a clear guide with defined roles and workflows.

Masters 360 App

Building on this progress, CLI's Engineering Department is advancing process digitalization through the development of the Masters 360 App, an in-house system, developed by the CLI Digitalization team, designed to streamline bidding, billings, and contractors' performance evaluation. This first phase aims to deliver faster and more efficient document processing, standardized and automated workflows, and

an improved bidding and awarding process through enhanced contractor due diligence and performance evaluation through the Engineering Bidding & Contracts Team and Vendor Accreditation Team under the Supply Chain Management Department. In its later stages, the application shall then introduce an e-bidding system that is expected to make the operation 90% paperless.

Anti-corruption

Training on Anti-corruption Policies and Procedures

Disclosure	2024 Quantity	2025 Quantity	Units
Percentage of employees to whom the organization's anti-corruption policies and procedures have been communicated to	100	100	%
Percentage of business partners to whom the organization's anti-corruption policies and procedures have been communicated to	100	100	%
Percentage of directors and management that have received anti-corruption training	100	100	%
Percentage of employees that have received anti-corruption training	100	100	%

Incidents of Corruption

Disclosure	2024 Quantity	2025 Quantity	Units
Number of incidents in which directors were removed or disciplined for corruption	0	0	#
Number of incidents in which employees were dismissed or disciplined for corruption	0	4	#
Number of incidents when contracts with business partners were terminated due to incidents of corruption	0	0	#

Impacts

The campaign for anti-corruption practices in CLI serves as a safeguard for the Company to ensure legal compliance, mitigate internal fraud, stabilize operations, and safeguard long-term economic sustainability. Maintaining a strict stance on anti-corruption regarding suppliers and business partners, alongside consistent workplace advocacy for its employees, establishes a culture of trust, integrity, and transparency. CLI emphasizes the significance of a just and equitable environment for all of its stakeholders.

Management Approach

CLI solidifies its advocacy for a healthy workplace through publicizing its Code of Business Conduct and Ethical Standards on the Company website to be accessible for all. Stated in the Code is a written policy on anti-graft and corruption entitled the Pledge of Integrity. All employees must be knowledgeable about the Code and its content during the onboarding process, and shall receive reminders and updates regarding the Code during their period of employment. The Human Resources (HR) department, departmental heads, supervisors, and Corporate Governance Committee oversee the Code's compliance, while board members and management shall participate in the Company's anti-corruption training.

The Company adheres to SEC recommendations for corporate governance, including maintaining the independence of directors, prohibiting directors with material interests in a transaction from participating, and implementing a whistleblowing policy that allows for anonymous reporting and protects whistleblowers from retaliation. These measures are set in place to uphold business ethics, reduce risks, and mitigate corruption-related issues.

CLI pledges transparency and disclosure of any corruption incidents. No corruption incidents were recorded within the Company, nor has CLI participated in any cases or legal proceedings involving anti-competitive behavior, anti-trust, or monopoly legislation violations for the year 2025.

CLI also strengthens corporate governance with the appointment of additional distinguished independent directors who are renowned experts with a proven track record of leadership—former RCBC president and widely recognized banking innovator Eugene Acevedo, and outgoing president of the University of Asia and the Pacific and respected economic policy advisor Dr. Winston Padojinog. These appointments expand the board to 11 members, enhancing independence, transparency, and strategic oversight as the Company pursues a higher trajectory.

ENVIRONMENT

Resource Management

Energy consumption within the organization:

Disclosure	2024 Quantity	2025 Quantity	Units
Energy consumption (gasoline)	8,930.23	3,875.45	GJ
Energy consumption (diesel)	59,401.95	52,295.41	GJ
Energy consumption (electricity) - excluding leased areas	13,407,147.30	10,322,824.36	kWh
Energy consumption (renewable sources) - solar panels	10,675.00	31,958	kWh

Reduction of energy consumption

Disclosure	Quantity	Units	% Reduction from 2024

Energy reduction (gasoline)	5,000	GJ	▼55.99%
Energy reduction (diesel)	7,106.54	GJ	▼11.96%
Energy reduction (electricity)	9,708.90	kWh	▼20.86%

Impacts

CLI acquires its fuels and electricity for its operations from local suppliers, Visayan Electric Company (VECO) and Davao Light and Power Company (DLPC). However, the consumption of these non-renewable fossil fuels to supply CLI's energy demand emits greenhouse gases as a result, contributing to air pollution and climate change.

Risks

CLI's operations are at risk of potential interruptions due to reliance on the unsteady supply of coal for electricity generation. Meanwhile, renewable energy sources feeding the Cebu, Negros, and Panay (CNP) grid are susceptible to natural hazards, possibly resulting in the same disruption. Other factors that can cause electricity shortage include the speedy growth of the urban population and the lack of resilient renewable energy systems in the country.

Management Approach

CLI instills the practice of reducing emissions and operational costs. Energy consumption is monitored by the HR-Admin Department across corporate and branch offices, and showrooms, while the Engineering team oversees usage at construction sites through project contractors. For residential and commercial properties, CLI's Property Management (PM) group leads the implementation of energy efficiency measures such as the careful selection of efficient electrical equipment, installation of mechanical heat recovery ventilators, and compliance with policies and standards to maintain CLI's energy ratings and adhere to its advocacy of green building design. Coordination between CLI teams, building engineers, and service contractors also helps ensure timely maintenance and system reliability.

CLI also implemented a 52-Week Preventive Maintenance Program, achieving 99% Preventive Maintenance Compliance across managed properties and 99.44% Critical System Uptime, improving operations. The Company also promotes participation in the World Wide Fund for Nature (WWF)'s Earth Hour global movement, where individuals, businesses, and communities are encouraged to switch off non-essential lights and equipment for one hour, usually from 8:30 PM to 9:30 PM, on a specific day in March. This has achieved 274.50 kWh energy savings and 150.43 kg of CO₂ emission reduction in just one (1) hour.

In addition, CLI has amplified its conservation efforts through launching Casa Mira Homes GenSan, the first solar-integrated economic housing community. The project offers 1,218 solar-ready units having built-in 2.2 kW panels that can store up to 5 kWh and cut household energy costs by an estimated PHP 600–PHP 3,000 per month. The Company also delivers its support to the Center for Industrial Technology and Enterprise (CITE) by funding the procurement, installation and maintenance of a solar panel system that supplies the energy demand of this school that offers free technical training to students from underserved communities

The Company ensures continuous operations during power outages by storing diesel and gasoline for generator sets. This support is particularly valuable in areas experiencing constant supply interruptions or in locations where power lines have not yet been installed, such as construction sites.

Water consumption within the organization

Disclosure	2024 Quantity ³	2025 Quantity	Units
Water withdrawal	6,276,891.85	2,003,969.94	m ³
Rainwater collected	21,797.20	72,839.60	m ³
Water consumption	6,255,094.65	1,768,088.24	m ³
Rainwater used	21,797.20	72,839.60	m ³

Impacts and Risks

CLI's operations in Cebu City purchases its water primarily from the Metropolitan Cebu Water District (MCWD), supplemented by other providers in some areas and groundwater for some construction sites and managed properties. For projects outside the vicinity, the Company sources its supply from various water distributors, depending on the region.

Because several stages in the construction process require significant amounts of water, overconsumption becomes a problem that may contribute to water scarcity, especially if withdrawal rates surpass the natural water replenishment rate. Deforestation and population growth are also expected to increase the water demand for where the Company operates. Excessive groundwater extraction may also contribute to its contamination. Both water shortage and pollution pose risks to the Company, its operations, the environment, and surrounding communities. Moreover, this issue may be further exacerbated in areas already experiencing water stress.

Management Approach

Water is a vital resource for CLI's commercial operations, particularly in construction sites, office and retail spaces, hotel facilities, and managed residential properties. To manage water consumption and promote conservation, CLI's PM team and various contractors have implemented measures such as installing water-saving fixtures in the facilities and establishing rainwater collection systems in managed properties. As of 2025, there are 17 horizontal and 14 vertical properties with rainwater collection systems, recording a total of 72,839.60 cubic meters of water for reuse onsite and equating to a 233.93% increase in rainwater harvested. Its ongoing developments, Casa Mira, Pristina Town, and One Manresa Place are already designed to include these water-saving features. Moreso, the importance of water conservation is constantly communicated to employees and customers.

CLI seeks to delve into advancements that can help enhance the Company's water management systems and facilities. Installations like water percolation ponds and other catchment areas can be explored in

³ All 2024 data on water withdrawal, rainwater collected, water consumption, and rainwater used have been converted from megaliters (ML) to cubic meters (m³) for consistency.

the future to capture significant quantities of water. This will not only help protect aquifers by easing water withdrawal rates but also reduce reliance on purchased water while improving the Company's operational resilience and long-term sustainability.

Materials used by the organization

Disclosure	2024 Quantity	2025 Quantity	Units
Materials used by weight or volume			
Non-renewable			
Sand	40,108.66	72,973.80	m ³
Gravel	294,929.86	47,171.00	m ³
Cement	111,120,777.10	61,485,894.00	kg
Rebars	27,859,298.99	18,241,318.71	kg
Glass	17,238.66	18,799.00	m ²
Limestone	7,808.00	6,000	m ³
Ready Mix Concrete (RMC)	0	1,467,769.00	kg
Renewable			
Lumber	172,983,847.00	550,313	bd.ft

Percentage of recycled input materials used to manufacture the organization's primary products and services	Not recorded	%

Impacts

CLI sources its materials both in-house (owner-supplied) and through local contractors (contractor-supplied), supporting businesses in the Visayas and Mindanao regions. CLI also includes small companies as part of its vendor list, helping them to flourish in the industry. Consequently, CLI acknowledges the negative impacts that can be caused by a significant amount of non-renewable construction materials, such as sand, cement, steel, and glass. Hence, strategic procurement, strict quality control, and responsible usage must be practiced, not only to conserve their supply, but also to mitigate the environmental effects associated with their extraction and processing.

Risks

Shortage of construction materials poses a major risk to CLI's operations, as they can increase project costs and intensify competition within the industry. Extreme weather events may cause sudden surges in demand while simultaneously disrupting supply if production and distribution channels are affected. Global crises can also trigger price fluctuation, particularly for heavily imported resources such as fuel.

Management Approach

CLI monitors its use of materials and works with contractors to improve project execution and implement best construction practices. These efforts aim to reduce costs, especially for major materials like steel

and cement, and maintain product quality and durability. Aside from materials efficiency measures, the Company plans to manage and mitigate its impacts and risks by exploring alternative or renewable materials for its projects. This can help to further diversify and boost the resilience of the Company's supply chain, especially in unforeseen calamities.

Ecosystems and biodiversity (whether in upland/watershed or coastal/marine)

Disclosure	Disclosure	Units
Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	MagsPeak Mountain Resort & Villas (under construction/pre-operational stage)	
Habitats protected or restored - planted native tree seedlings and mangroves in various areas in Cebu & Bohol province (2025 only)	25.81 (planted /maintained in 2025 only)	ha
Total of 433,047 Native Trees and Mangroves planted since 2021	428.46 (2021-2025)	
IUCN ⁴ Red List species and national conservation list species with habitats in areas affected by operations	Endangered: - Molave/Tugas (<i>Vitex parviflora</i>) - Benguet pine (<i>Pinus kesiya</i>) - Tree fern/Salaguisog (<i>Cyathea</i>) Vulnerable: - Narra (<i>Pterocarpus indicus</i>) - Red Nato (<i>Palaquium luzoniense</i>)	

Impacts

As with all economic activities, land development has impending impacts on the environment and biodiversity. Examples of this are damage to vegetation and potential alteration of soil chemistry and fertility, both possibly affecting populations that depend on these natural conditions.

MagsPeak Mountain Resort & Villas, one of CLI's projects, has a natural forest system in the upland area located in Brgy Sunog, Balamban, Cebu. This is a designated multi-use zone of the Central Cebu Protected Landscape, and is home to several native species that may be exposed to the impacts of land development. CLI has taken measures to ensure the protection of biodiversity in its project sites, which create positive impacts not only for the environment but also for local communities who are provided with training and inputs for alternative livelihoods. The area has been assessed with an inventory of over 30 species of birds and 33 species of plants.

Risks

There are some risks that pose a threat to the surrounding landscape and biodiversity in CLI's projects, which may affect the Company's business and stakeholders. These include overharvesting of wood by

⁴ International Union for Conservation of Nature

settlers in the local communities, or in most cases, the dumping of solid waste in the vicinity. These activities may cause disturbances for the Company's occupants and reduce the attractiveness of the property, as well as weaken the ecosystem services like cooling, erosion control, and natural drainage capacity. Effective management is therefore necessary to preserve natural resources and maintain environmental quality.

Management Approach

TREE (Taking Responsibility for Ecosystems Enrichment) and EcoEd (Environmental Conservation Education)

CLI developed and implemented an employee volunteer program under the banner called Taking Responsibility for Ecosystems Enrichment (TREE). This includes various activities from site preparation, plantation and maintenance for three (3) years to ensure that the trees planted survive, thrive and reach self-sufficiency. The program focuses on employee volunteers' involvement in the tree growing on community sites as well as project sites that can be enhanced by planting more native species of trees and integrating other sustainable landscape materials in the future. CLI's employee volunteer program has generated a growth in employee participation by 45% with an equivalent of close to 2,000 volunteer hours dedicated to tree growing and green skills training.

Moreover, the Company offers a training program called Environmental Conservation Education (EcoEd) designed for farmers and fishermen. The objective of this initiative is to develop and upgrade green skills and knowledge for environmental stewardship among community partners in the upland and coastal areas

MagsPeak

The Magspeak project is designed as a model for environmental conservation, integrating biodiversity management, sustainable ecosystem enrichment, and green architecture. A biodiversity assessment was conducted to establish a baseline for monitoring plant and animal life, creating a species list and identifying the conservation status of the flora. This guides the planting activities of Cebu Landmasters Foundation Inc. (CLI Foundation) to plant endangered and critically endangered local species, such as Molave, Benguet Pine, Red Lauan, and Kamagong. The site is home to more than 25,000 native trees and 30 bird species, with ongoing efforts to preserve and enhance biodiversity.

In 2025, the Company strengthened its commitment by establishing tree nurseries in Casa Mira South and Magspeak, with a total of 3,000 seedlings propagated, and six (6) new native species. Moving forward, CLI plans to further expand its reach to Davao, Cagayan De Oro, and Bohol.

GREEN and GROW Program

With the implementation of the Green Resources for Ecosystems Enrichment (GREEN) and Green Resources and Opportunities for Work (GROW) programs for partner communities through the CLI Foundation, CLI planted 20,648 new trees in 2025. By the end of the year, the survival rate of all planted trees reached over 80%, despite challenges from typhoons and landslides. This resulted in a total of

433,047 trees established across 199 community tree-growing sites, covering both terrestrial and coastal areas, including 39 native species, three (3) fruit tree species, and ten (10) mangrove species, since the start of the Company's environment-focused initiatives.

To ensure meaningful impact on the local areas, CLI follows a designated program process, from community partner and planting site identification, consultations, stakeholder engagements and orientations, training, and monitoring. Members of the local community, including people's organizations, farmers, and fisherfolk, are directly engaged in the tree nursery establishment, seedling production, plantation design, site preparation, planting, and maintenance of native tree species, which provides them with alternative livelihood opportunities as well as environmental education and skills training.

Environmental impact management

ESG Scorecard

CLI is currently developing its ESG Scorecard, an evaluation tool covering CLI's projects under planning, construction projects and operational properties. The scorecard will be applied across the entire project cycle—from planning and design to construction and property management — integrating key criteria such as energy conservation, emissions management, materials efficiency, water use, safety, and regulatory compliance into evaluation. This supports the Company with their long-term goal in ensuring sustainability is considered at every stage of development. Its pilot test is planned for the first quarter of 2026 and a full rollout in the second half of the year.

Air Emissions

GHG (Greenhouse Gas)

Disclosure	2024 Quantity	2025 Quantity	Units
Direct (Scope 1) GHG Emissions	4,503.63	3,745.65	MTonnes CO ₂ e
Energy indirect (Scope 2) GHG Emissions	9.66	6.63	MTonnes CO ₂ e
Energy indirect (Scope 3) GHG Emissions	10.05	14.20	MTonnes CO ₂ e
Emissions of ozone-depleting substances (ODS)	no data	no data	

Impacts

CLI acknowledges that its regular operations, from project planning to property management, significantly contribute to greenhouse gas emissions due to the direct and indirect use of fossil fuels. Energy consumption in corporate offices, managed properties, and construction sites results in direct (Scope 1) and indirect (Scope 2) GHG emissions. Other indirect (Scope 3) emissions are generated from the tenants' usage of leased spaces or occupied units. As the Company expands its real estate products, the amount of carbon it produces also rises, contributing to air pollution and climate change.

Risks

As efforts to regulate GHG emissions are being done globally, CLI recognizes the risk of policy changes that may disincentivize the use of fossil fuels and impose fines on carbon-intensive activities. Furthermore, worsening climate scenarios present threats, namely disruption to the availability of materials, property damage, and increased energy costs, affecting not only the company but also employees, customers, and other stakeholders.

Management Approach

CLI has implemented a system for monitoring and recording GHG emissions resulting from its direct and indirect energy use. This enables CLI to establish reduction targets and energy-saving measures. To lower energy consumption and emissions, CLI incorporates sustainable designs in its developments, and adopts a 52-Week Preventive Maintenance Program in operational properties to ensure reliable operations.

CLI's properties are regularly assessed for retrofitting, aiming to extend the life cycle of the buildings. In addition, CLI increased its power generation from renewable energy sources from twelve (12) properties.

CLI continues to advocate for sustainability in their ongoing and upcoming projects. In Pristina Town, the project is intended to integrate smart programmable street lighting and walkable transport infrastructure, such as bike lanes and pedestrian walkways, to lessen carbon footprint. On the other hand, Casa Mira promotes lower GHG emissions by providing solar-ready housing units with entrance for natural lighting to reduce reliance on grid electricity. One Manresa Place designed 63% of the township to be open spaces, including a protected forest zone, alongside green building features.

Green building design and development

CLI champions green building by aligning its projects with the Leadership in Energy and Environmental Design (LEED), Excellence in Design for Greater Efficiencies (EDGE), and the Building for Ecologically Responsive Design Excellence (BERDE) standards, led by its technical planning team. In 2024, it launched Lending Expertise and Advancing Development (LEAD), a pioneering initiative in collaboration with the Department of Human Settlements and Urban Development (DHSUD), enabling Tipolo Residences 2 to become the country's first private socialized housing project to earn BERDE certification. It features solar panels, rainwater systems, sewage treatment, and passive design. Moreover, the Company also advanced EDGE compliance for 38 Park Avenue and LEED certification for Masters Tower, while Davao Global Township showcased green spaces, smart lighting, and flood control systems. Across its portfolio, at least 70% of projects use high-performance envelopes, achieving up to 45% energy efficiency.

Sustainability continues in 2025 through developments like solar-powered Casa Mira Homes GenSan, eco-friendly Casa Mira Towers Palawan, and the 23-project Garden Series, which integrates greenery into urban living. Projects like One Manresa Place and Pristina Town highlight open spaces, water systems, and energy-efficient, walkable design. CLI embeds renewable energy, water management, and

wastewater solutions across all stages, supported by mangrove reforestation and eco-efficient construction practices.

These efforts have earned recognition from PropertyGuru, BCI Asia, and the Institute of Corporate Directors, including the Green Initiative Award at the Asia Corporate Excellence & Sustainability Awards (ACES) 2025 and the Bronze Award for Fostering Community Resilience at the Asia-Pacific Stevie Awards 2025, and inclusion in ATRAM's SDG Fund for strong ESG performance.

Air pollutants

Disclosure	Quantity	Units
NO _x	Not recorded	-
SO _x		
Persistent organic pollutants (POPs)		
Volatile organic compounds (VOCs)		
Hazardous air pollutants (HAPs)		
Particulate matter (PM)		

Impacts

Daily operations of the Company, such as construction activities and running generator sets, result in the emission of air pollutants like NO_x, SO_x, and particulate matter, which may impact the health of people and biodiversity, and contribute to global warming.

Management Approach

CLI does not currently track its emission of air pollutants and recognizes the opportunity to do so in the future. However, the aforementioned energy conservation initiatives also contribute in reducing the Company's emission of air pollutants, as less fuel is required to meet its energy needs.

Solid and Hazardous Wastes

Solid Waste

Disclosure	2024 Quantity	2025 Quantity	Units
Total solid waste generated	5,853,570.88	2,775,734.19	kg
Reused and Recycled	1,039,563.43	1,596,083.62	kg
Composted	10,000.00	No data	kg
Incinerated	N/A	No data	kg
Residuals/Landfilled	229,098.70	824,480	kg

Hazardous Waste

Disclosure	2024 Quantity	2025 Quantity	Units
Total weight of hazardous waste generated	35,227.00	28,054.10	kg

Impacts and Risks

Improper waste disposal by haulers at final destinations like landfills can contaminate land and water, and increase emissions. Landfills receive waste that could have been diverted, and generate large amounts of methane, a greenhouse gas 25 times more potent than carbon dioxide. This can lead to the release of hazardous chemicals, contaminate water sources, and create breeding grounds for pests.

Another potential risk is the illegal dumping of waste within or near property vicinities, which can create sanitation and environmental concerns for surrounding communities. Unregulated waste disposal may lead to unpleasant odors, clogged drainage, and potential health issues for residents and occupants, while also affecting the overall livability of the area.

Management Approach

CLI continues to improve its waste management approach by integrating circularity into its property operations and enhancing sustainable practices. To promote environmental awareness, the Company encourages segregation at source through the use of color-coded trash bags—green for food waste and gray for recyclables—to guide tenants and occupants in properly sorting waste.

CLI's PM team also boosts their recycling efforts by sending clean and dry low-value plastics to recycling partners where they are processed into plastic boards that can serve as substitutes for plywood in furniture and other materials, or as components for waste-to-energy conversion. Higher-value plastics, such as bottles, are recovered through programs like “Kwarta sa Basura” and other trash-to-cashback initiatives.

To further strengthen its solid waste management system, CLI is exploring additional measures to improve waste diversion and expanding composting initiatives in its horizontal developments. The Company may also require regular waste data reporting from third-party haulers to better track collection, recycling, and landfill diversion performance.

Adopt-A-River Program

Through its RiverRecycle partnership, CLI has committed to adopting and cleaning three bodies of water in Cebu City to prevent plastic waste from reaching the ocean. From March to August 2025, the initiative collected 22,740 kg waste from Guadalupe River, 10,941 kg from Kinalumsan River, 11,803 kg from Tagunol Creek, plus 45,484 kg of clean, dry plastic from CLI-managed properties and offices. These are then processed into recyclable boards to be used for construction and furniture, including chairs, trash bins, exhibit panels, and corporate gift items. The Company also supports livelihood and training programs for local communities involved in recycling, turning waste management into an opportunity for economic empowerment.

Effluents

Disclosure	2024 Quantity	2025 Quantity	Units
Total volume of water discharges	365,787.19	235,881.70	m ³
Total volume of wastewater treated	no data	213,604.10	m ³
Percent of wastewater recycled	no data	No data	%

Impacts

Untreated wastewater discharge can pollute water bodies and natural habitats by exposing them to harmful chemicals. This contamination is the immediate environmental impact of wastewater.

Management Approach

The Company minimizes effluents by designing and incorporating in its facilities wastewater treatment system in its residential, commercial, office, hotels, and project sites. On average, 80% of water used in managed properties is treated before discharge, while the rest are used for irrigation and similar activities.

For residential subdivisions, domestic wastewater or sewage goes into a septic tank for basic sewage treatment through the process of biological decomposition and drainage. Wastewater treated through this system is then discharged to receiving bodies of water with a classification appropriate for the quality of the wastewater discharged.

The Company has integrated the setup of a dual piping system for potable and non-potable water in the design of vertical projects. Wastewater would pass through a separate system for treatment, and then be routed for reuse in flushing or irrigation. This helps reduce water consumption in managed properties.

Environmental compliance

Non-compliance with Environmental Laws and Regulations

Disclosure	Quantity	Units
Total amount of monetary fines for non-compliance with environmental laws and/or regulations	0	PhP
No. of non-monetary sanctions for non-compliance with environmental laws and/or regulations	0	#
No. of cases resolved through dispute resolution mechanism	N/A	#

Impacts

Environmental compliance is critical to CLI's operations, especially given the environmental impacts of its primary business, land development. These impacts include increased reliance on non-renewable resources, soil erosion, groundwater and soil contamination, and effects on biodiversity and habitats.

Risks

The company's business is directly impacted by environmental regulatory risk, which can arise from land use regulations and environmental protection concerns. Any policy changes at the local or national level affect the progress of the Company's projects. Moreso, adherence to the law safeguards longevity in the industry and mitigates legal and financial risks.

Management Approach

CLI's compliance with environmental law is managed and monitored by a designated team. This comprises the External Affairs/Permits and Licenses Department, Strategic Business Units, CLI Property Management, and Engineering. To ensure compliance, Pollution Control Officers submit quarterly Self-Monitoring Reports and Compliance Monitoring Reports to the Environmental Management Bureau (EMB) of the Department of Environment and Natural Resources (DENR).

CLI invests in upholding strict environmental compliance, spending over PHP 87.19 million on compliance, development of green features, and other initiatives to mitigate environmental impacts. Costs associated with permits, licenses, and compliance requirements include expenses for sewage treatment plants, green building certifications, engineering studies and biodiversity management and enhancement.

Through these efforts, CLI continues to be an exemplary corporate citizen. The Company has invested in internal training and third-party advisories, particularly for the pollution control officers of each project or property to monitor full compliance to the environmental laws and regulations and correct any non-compliance issues in the past.

SOCIAL

Employee Management

Employee Hiring and Benefits

Employee data

Disclosure	2024 Quantity	2025 Quantity	Units
Total number of employees (direct hires)*	908	1,390	#
a. Number of female employees	538	743	#
b. Number of male employees	370	647	#
Attrition rate ⁵	9.8	9.8	%
Ratio of lowest paid employee against minimum wage	1:15	1.06:1	ratio

*This figure represents employees of the parent company only (Cebu Landmasters, Inc.), excluding subsidiaries.

Employee benefits

List of Benefits	Y/N	# of female employees who availed for the year	# of male employees who availed for the year
Government-mandated Benefits			
PhilHealth Contribution	Y	726	500
Pag-ibig Contribution	Y	726	500
Pag-ibig Loan Availment	Y	93	198
SSS Contribution	Y	726	500
SSS Loan Availment	Y	102	195
Leaves			
Sick leaves	Y	556	370
Vacation leaves	Y	556	370
Emergency leaves		136	132
Birthday leaves	Y	556	370
Parental leaves	Y	556	180
Health Benefits			
Annual Physical Exam	Y	555	372
Booster Shots	Y	0	0

⁵ Attrition are = (no. of new hires – no. of turnover)/(average of total no. of employees of previous year and total no. of employees of current year)

HPV shots	Y	10	10
HMO (company-provided) Medical Assistance (not PhilHealth)	Y	591	398
Work Set-up			
Semi flexible-working Hours*	Y	0	0
Allowances			
Meal Allowance (Regular employees)	Y	154	180
Per Diem Allowances	Y	1579	1762
Rice Subsidy (Regular employees)	Y	553	372
Other Fringe Benefits			
Car/Motorcycle Loan	Y	8	10
Emergency Loan	Y	78	32
Company stock options	Y	0	0
Company Uniforms	Y	470	690
Gift Certificates (b-day cash gift)	Y	575	385
Housing assistance (aside from Pag-ibig)	Y	0	0
Retirement Fund Program	Y	0	2
Savings Benefit Program 5% from Employee's Monthly Basic will be set aside to savings claim	Y	Not recorded	Not recorded

*Semi flexible time arrangement shifts, where employees are provided shift schedule options

Impacts

CLI consistently provides its employees with a rewarding career through fair compensation, meaningful engagements, and valuable growth opportunities. These benefits enable workers to support themselves and their families. Moreso, a supportive company fosters its relationship with their workforce or the backbone of their organization.

Management Approach

Cebu Landmasters, Inc. (CLI) recognizes its people as its most valuable asset, as the achievement of the Company's vision ultimately depends on them. To support employee well-being, CLI continues to implement programs and platforms that safeguard employee rights while promoting a positive and inclusive workplace.

The Company fosters strong engagement through purposeful initiatives such as Culture Days, Values Recognition programs, Hilig Clubs, Summer Outings, and Sportfests. These are further reinforced through Town Hall meetings, digital platforms like Workplace and Workvivo, quarterly performance reviews, learning and development programs, and volunteer activities. Collectively, these initiatives

enhance morale, motivation, and career growth, strengthening CLI’s talent pool. Employee engagement remains robust, with Workvivo achieving a 99% activation rate and 70% engagement, while AskCLI handled 5,876 inquiries with a 96% resolution rate.

The Compensation and Benefits Committee supports the Board of Directors in overseeing employee benefits, ensuring fair and competitive remuneration through regular benchmarking, including the Willis Towers Watson Salary Survey. CLI has also strengthened its HR systems through the establishment of a Compensation & Benefits Helpdesk and enhancements to its HRIS for improved employee records and payroll management.

In 2025, CLI was recognized as a Distinguished PMAP Exemplar under the Employer of the Year category—earning distinction as the only awardee from the Visayas and the sole representative from the real estate industry among that year’s national exemplars. This recognition reflects CLI’s strong organizational culture anchored in purpose, excellence, and a people-first mindset, and stands as a testament to the collective contributions of its employees who continue to build with passion and lead with integrity.

Employee Training and Development

Disclosure	2024 Quantity	2025 Quantity	Units
Total training hours provided to employees	55,262.75	15,382.50	hours
a. Female employees	32,368.76	8,386.00	hours
b. Male employees	22,215.99	6,996.50	hours
Average training hours per employee	60.85	10.90	hours
a. Female employees	60.91	9.90	hours/employee
b. Male employees	60.79	12.30	hours/employee

Impacts

Investing in skills development opportunities results in positive impacts to employee morale, loyalty, and productivity. Employees will be better equipped to fulfill their responsibilities in the workplace, improving the Company’s operations, while also nurturing each individual’s career growth.

Management Approach

In 2025, the Company’s training activities generated a total of 15,382.50 hours on technical, behavioral, leadership, life skills, sustainability, and organizational policy cascades and orientations, including training sessions on data privacy, IT security, information classification, breach response, and the Company’s IT Policies and sustainability-related policies and procedures. The Company focused on planning a training program to enhance the organization’s training portfolio, prioritizing those that relate

to the Company's core values and core competencies. These are in the aspects of customer, innovation and leadership balanced with technical competencies to achieve operational excellence.

In addition, CLIPM Start-up property management training (Modules 1 & 2) was successfully conducted in 2025, with all 17 property managers across multiple regions successfully finishing the program. The final assessment recorded a strong 97.92% average score, demonstrating their competency and operational readiness. CLI's Digital Innovation & IT Team conducted 12 digital and AI workshops (Generative AI, Advanced Gsheets) among 250+ employees in the company. CLI's Sustainability Team conducted more than 20 learning and work sessions, including consultations for the Company's ESG scorecard development and ESG data management.

CLI directors, executives, and key officers attend in-house training sessions supplemented by SEC-accredited corporate governance training, as well as other outsourced seminars and training courses from various training providers. A special training session on anti-money laundering laws and regulations, including new issuances and updates for real estate developers, was attended by the Company's directors, executive committee and key officers. Regular anti-money laundering training is also provided to CLI personnel, conducted by the national Anti-Money Laundering Council.

The First CLI Innovation Summit

The Human Resource (HR) led an enterprise-wide initiative to strengthen innovation capability at scale. Rather than positioning innovation as a specialized function or leadership-driven effort, HR treated it as a core organizational capability that could be deliberately developed, practiced, and reinforced. Working in close partnership with the Digital Innovation team, HR designed a structured, practical, and inclusive approach that clarified what innovation meant for CLI, equipped employees with common tools and frameworks, and institutionalized recognition for both ideas and implementation.

The initiative conducted 18 workshop batches, reaching 490 participants which is 91% of its target population nationwide. It generated 81 business-relevant innovation ideas across all organizational levels, with 50 ideas from officers and staff, 27 from supervisors and managers, and four (4) from AVPs and above, indicating a meaningful shift in innovation confidence and participation at the grassroots level. Multiple implemented projects spanning digital transformation, sustainability, customer experience, and internal business process improvements were generated from this simulation. The outcomes demonstrate HR's role as a strategic partner and culture architect, contributing directly to the company's long-term adaptability and competitiveness.

Overall post-program evaluation hits an impressive score of 4.69 out of 5.

Labor-Management Relations

Disclosure	2024 Quantity	2025 Quantity	Units
% of employees covered with Collective Bargaining Agreements	0	0	%

Number of consultations conducted with employees concerning employee-related policies	not recorded	0	#

Diversity and Equal Opportunity

Disclosure	2024 Quantity	2025 Quantity	Units
% of female workers in the workforce (direct hires only)	59	53	%
% of male workers in the workforce (direct hires only)	41	47	%
Number of employees from indigenous communities and/or vulnerable sector*	0	0	#

*Vulnerable sectors include the elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E).

Workplace Conditions, Labor Standards, and Human Rights

Occupational Health and Safety

Disclosure	2024 Quantity	2025 Quantity	Units
Construction Sites			
Safe Man-Hours	18,654,141	19,716,129	Man-hours
No. of work-related injuries (First Aid Injury)	182	90	pax
No. of work-related injuries (Medical Treatment Injury)	11	13	pax
No. of work-related fatalities	1	1	pax
Total Disabling Injury Rate (TDIR)	0.05	0.014	#
Lost Time Injury	1	1	
No. of safety drills	46	20	drills
No. of safety related trainings conducted	21	48	trainings
Corporate Offices, Branches, and Showrooms			
No. of work-related ill health	31	30	#
Property Management			
No. of work-related ill health	31	30	#

*Data from horizontal properties only.

Impacts

Protecting and promoting worker health provides direct positive impacts to employees and workers in the Company. In addition, implementing safety measures across all of the Company's facilities, managed properties, and construction sites also protects the safety of members of the public who are exposed to these sites.

Risks

Risks associated with occupational health are physical and mental health concerns, work-related hazards, injuries, labor and employee relations, catastrophic personal events, succession, and key talent flight risk. All these risks have a significant impact on the Company's business operations if not managed appropriately.

Management Approach

CLI established supplementary safety protocols to mitigate potential harm, hazards, and accidents, and to safeguard the health and well-being of all personnel involved in CLI construction projects. The Health, Environment, and Safety (HES) Team implemented safety requirements for contractors to be included during prebid meetings for proper allocation of budget. The team successfully conducted quarterly health, environmental, and safety audits across all CLI projects.

Thirty-seven (37) Construction Safety and Health Programs were approved by the Department of Labor and Employment (DOLE) and implemented in 2025, while four (4) more are in the process of approval. The HES team also drafted 34 HES guidelines, nine (9) HES procedures, and 19 HES forms. All 15 HES memos have also been approved by management. Some HES milestones are the recognition of The East Village for achieving one million safe man-hours, The Casa Mira Towers (LPU) for achieving three million safe man-hours and a Certificate of Recognition from DOLE XI, and the Abaca Resort Hotel (Mactan) for achieving the Safety Organization of the Philippines, Inc. (SOPH) Award of Merit. The Abaca Resort Hotel (Mactan), Masters Tower (Cebu), Citadines Hotel (Bacolod), and Casa Mira Towers (LPU) all received the Safety Excellence Award from Workplace Advocates on Safety in the Philippines, Inc. (WASPI).

The HES team strengthens daily HES communication with project HES teams through online platforms. The HES team also ensures that they continuously oversee contractor HES implementation and compliance with legal requirements, develop HES management system at the corporate level, and continuously review existing policies, measures, and updates according to legislation, and incident investigation and reporting. The team also observes strict implementation of urgent corrective actions to work activities that present imminent danger and life-threatening conditions and proactively discusses with the project HES teams how to resolve such issues.

CLI also provides activities to boost employee wellness, motivation, and engagement. Through programs and celebrations like Town Halls, International Women's Month, Summer Outing, Employee Appreciation Day, and the Halloween Event, employees can build rapport and express themselves through creative means. CLI continues to organize events for its Hilig Clubs as avenues for employees to pursue and explore hobbies with colleagues. In managed properties, CLI's PM team promoted health and wellness among its employees through the Friday Wellness initiative.

Calamity Assistance Initiatives

A total of 99 employees were supported across both calamities (52 affected by Typhoon Tino and 47 affected by the Bogo earthquake). HR mobilized assistance programs following the disasters that affected several workers and their families from different locations. Support initiatives included Emergency Loan assistance, relief goods and clothing distribution, medical teleconsultation, temporary housing support, and early release of salary to provide immediate financial relief. The initiative demonstrated the Company's strong commitment to standing by its employees during difficult times and highlighted the organization's culture of compassion and community support.

Despite the sudden nature of the calamities, HR and volunteers quickly mobilized resources and coordinated assistance efforts across affected communities, including Talisay, Liloan, Compostela, Mandaue, and Bogo.

Labor Laws and Human Rights

Disclosure	Quantity	Units
No. of legal actions or employee grievances involving forced or child labor	0	#

Do you have policies that explicitly disallow violations of labor laws and human rights (e.g. harassment, bullying) in the workplace?

Topic	Y/N	If Yes, cite reference in the company policy
Forced labor	Y	Code of Business Conduct and Ethical Standards Section 1 - Compliance with Laws and Regulations
Child labor	Y	Code of Business Conduct and Ethical Standards Section 1 - Compliance with Laws and Regulations
Human Rights	Y	CLI Handbook - section on Employee Discipline Due Process

Impacts

It is paramount to CLI to be compliant with the labor code and other laws and regulations protecting the rights of all its employees while promoting a healthy and safe environment in the workplace. The company recognizes that threats to the rights, health, and safety of its employees impacts productivity, as well as employee retention and engagement.

Management Approach

CLI's Compliance Officer regularly monitors updates from regulatory bodies and checks the Company's compliance with various laws and regulations, including labor laws that govern fair compensation and

treatment, safe working environments, and the prohibition of forced labor and child labor. The Company's Handbook on Employee Discipline and the Code of Business Conduct and Ethical Standards also contains policies for the fair and consistent treatment of all employees. CLI adheres to this code and regularly monitors workplace conditions to uphold human rights and protect its employees' interests in all its operations.

Relationship with Community

Significant Impacts on Local Communities

Operations with significant (positive or negative) impacts on local communities (exclude CSR projects; this has to be business operations)	Location	Vulnerable groups (if applicable)*	Does the particular operation have impacts on indigenous people (Y/N)?	Collective or individual rights that have been identified that or particular concern for the community	Mitigating measures (if negative) or enhancement measures (if positive)
Construction and Management of High-Quality Properties	Locations across Visayas-Mindanao	Indeterminate	N	Right to adequate housing	Quality construction and effective property management enhance the socioeconomic conditions of the local communities where CLI's properties are located

*Vulnerable sector includes children and youth, elderly, persons with disabilities, vulnerable women, refugees, migrants, internally displaced persons, people living with HIV and other diseases, solo parents, and the poor or the base of the pyramid (BOP; Class D and E)

For operations that are affecting IPs, indicate the total number of Free and Prior Informed Consent (FPIC) undergoing consultations and Certification Preconditions (CPs) secured and still operational and provide a copy or link to the certificates if available:

Certificates	Quantity	Units
FPIC process is still undergoing	N/A	#
CP secured	N/A	#

Impacts and Risks

Real estate development generates impacts on the host and neighboring communities where the projects will be built. There is a risk of displacement of informal settler families occupying the private property that is planned to be developed. Other negative impacts include public disturbance and access issues at the construction stage.

Management Approach

In 2025, CLI expanded its community engagement by partnering with additional people's organizations through the CLI Foundation. The system for conducting community profiling, needs assessment, and capacity building of partner organizations (mostly farmers and fishermen organizations, including socialized housing beneficiaries) was improved through process enhancements. As a result, a total of 10,627 low-income families benefited from the community programs which brings to a total number of 16,046 families since 2021, with 282 institutions or external organizations engaged. The programs implemented helped build capabilities and provided livelihood opportunities, built start-up enterprises and helped generate income for partner communities.

CLI's sustainability/community relations team improved its processes for monitoring measurable outputs of all its programs. The team regularly conducts sessions to evaluate the program partnership and to gather information on income generated from the activities. In 2025, CLI developed a plan to formalize and standardize a feedback mechanism which will be implemented in the following year.

CLI's 4-Pillar Community Development Strategy

1. Integrated Community Development: Providing Access to Affordable Housing

CLI sticks to its advocacy of promoting affordable housing while establishing a continuing partnership with LGUs for property and beneficiary management to create a safe, cohesive and resilient community. As of 2025, close to 50% of CLI's 43,042 residential units cater to low-income markets, with more than 20,000 housing units delivered to date, namely: economic housing in Casa Mira Homes (10,929 units), Casa Mira Towers (8,186 units), and Mirani Steps (215 units); and socialized housing in Villa Casita (764 units), Pinamalayan housing in Oriental Mindoro (338 units), Walk-Up Sugbo 1 Residences (100 units), and Tipolo Residences (90 units).

The CLI Foundation also linked the partner LGU with CLI's property management team to establish building maintenance audit checklist and encouraged the engagement of new HOA leadership in these socialized housing communities. Beyond this, engineers from CLI PM conducted post-earthquake and post-Tino assessment with building maintenance teams from Sugbo Walk up and Tipolo Residences 2. The company aims to build resiliency of housing beneficiaries through community-based programs that promote disaster preparedness, social cohesion, and sustainable self-management.

2. Environment: : Managing Impacts and Building Resilience

In 2025, CLI continued to enhance biodiversity across 422.08 hectares of planting sites in Visayas in partnership with farmers' and fishermen's organizations trained on the project lifecycle of tree growing, from seedling production, site preparation, planting, maintenance and monitoring. Through CLI Foundation's GREEN and GROW initiative, the Company significantly increased tree cover by planting a total of 427,946 trees with a survival rate of over 80% as of year-end 2025. These trees were planted across 199 community tree growing sites, in both terrestrial and coastal areas. Additionally, the CLI Foundation initiated EcoEd, a project greening program to enhance vegetation within CLI's project sites. This program helped protect and

enhance biodiversity in the northern and southern parts of Cebu and increased the total number of beneficiary farmers/fishermen to 924.

3. Education: : Developing Talent and Enhancing Skills

In addition, the Company continues to support 20 university scholars taking up architecture, engineering, business, marketing and hospitality programs under LEAP (Leadership and Educational Assistance Program), while two (2) graduates have transitioned to gainful employment. CLI also started its new initiative of assisting six (6) ETEEAP (Expanded Tertiary Education Equivalency and Accreditation Program) scholars. The Company also supports its partner communities through organizing training and learning sessions under programs such as EcoEd and Tabo.

4. Enterprise Development / Livelihood: Promoting Self-reliance

The CLI Foundation's LAMBO (Livelihood Assistance for Multi-sectoral Beneficiary Organizations) program is the umbrella livelihood program for all partner communities. Under this 'mother program' is a sub-program called GROW (Green Resources and Opportunities for Work) which has significantly increased the income of farmers (terrestrial) and fisherfolk (coastal) through tree growing which starts from seedling production, nursery establishment, tree planting, maintenance and monitoring. The beneficiaries of the program are partner people's organizations or farmers' and fishermen's associations or cooperatives.

On the other hand, the CLI Foundation continues to promote the farmers' produce through a farm-to-market initiative known as Tabo that has expanded from the company's corporate offices to the company's managed residential properties, linking both the farmers and the consumers, eliminating traders or middlemen while helping farmers build professional relationships with commercial establishments. In 2025, three (3) new farmer associations—Langob Sirao Farmers, Cambinocot MPC, and Gulay Farmers—were engaged for Tabo, benefiting 80 new farmers through Tabo activities. Additionally, 18 new farmers received livelihood skills training. The Tabo venues also expanded to four (4) of CLI-managed properties, namely Casa Mira Guadalupe, 38 Park, Mivela Garden–Banilad, and Park Centrale.

Another subprogram under LAMBO is EcoEd. This initiative equips participants with technical expertise in reforestation management– from farm design, tree nursery establishment, seedling production, mangrove identification, plantation, maintenance and monitoring. In 2025, CLI introduced four (4) new green skills learning sessions and workshops equivalent to 18 hours of training, benefiting 69 new farmers and fishermen. Since 2021, CLI Foundation has also conducted 40 green skills learning sessions equivalent to 158 hours, building capacities of 924 farmers and fishermen, while achieving gender-diverse community participation with 58% male and 42% female attendees under the EcoEd program.

Moving forward, CLI seeks to further support farmers and fisherfolk through its program called FARM (Fostering Agricultural Resilience and Management and FISH (Fostering Innovative and Sustainable Harvesting). CLI manages its relationships with local government units, local communities, and partner organizations through diverse engagement channels such as project

orientations, consultations, chat groups, and seminars. Through these engagements, the Company makes sure to understand the genuine concerns, needs, and interest of its partners to strengthen the positive impacts of its social responsibility initiatives.

In 2025, CLI implemented a more organized and documented community feedback system for its initiatives with partner organizations, recording satisfaction ratings of 4.39 for TREE and 4.65 for TABO on a 5-point Likert scale, along with positive feedback and valuable suggestions for improvement.

Customer Management

Customer Satisfaction

Disclosure	2024 Score	2025 Score	Did a third party conduct the customer satisfaction study (Y/N)?
Customer satisfaction	3.85 out of 5	4 out of 5	N

Impacts

Maintaining customer satisfaction helps support the financial success of the Company through continued patronage and improved brand reputation. This, in turn, will generate positive impacts on the Company's other business partners and stakeholders, as robust economic performance contributes to fruitful partnerships and the creation of shared value.

Management Approach

CLI has established a three-year innovation roadmap to enhance customer experience and operational efficiency through seamless digital solutions. This roadmap will also improve decision-making and streamline business processes for brokers, sellers, property owners, and the internal business value chain. The six key strategic priorities of the roadmap are intended to improve CLI's innovation maturity to level 3. These initiatives include the Master Super App, Project Management End-to-End Solution, Data Management System, Upgrade of Enterprise Resource Planning, Business Process Management, and CyberSecurity, Network Infrastructure, and IT Service Management.

The Project Management End-to-End Solutions includes the Integrated Permits Monitoring System (IPMS), which streamlines tracking and processing. This ensures compliance and real-time visibility of permit requirements for each project.

In 2025, CLI accelerated its digital innovation efforts by launching a focused suite of platforms that not only enhanced customer service but also strengthened employee engagement and modernized financial

and operational processes. Key solutions for customer service management include: ‘AskCLI’, ‘CLI Pay’ as a new digital payment channel, and the CLI Check Writer System for treasury automation. These were complemented by the rollout of Digital Titling and Registration Monitoring (Phase 1), the Accounts Receivable Aging Dashboard, and a wide set of 24 low-code automations and seven (7) operational dashboards that improved efficiency across departments.

“Ask CLI,” has improved customer service with a seamless, efficient platform. This ensures 24-hour response time so that no concerns are left unattended. It has also streamlined inquiries, enhanced customer satisfaction, and optimized operations. In 2025, AskCLI reached a total of 5,876 inquiries managed, with 96% resolution rate, and a customer satisfaction score of 4 out of 5.

These initiatives delivered clear, measurable results. Treasury operations saw a dramatic reduction in processing time from 180 hours to just one hour and 40 minutes, while check preparation was cut from one (1) hour to only five (5) minutes per transaction. Automation efforts improved speed, accuracy, and transparency, optimizing transaction workflows, while eliminating errors and reducing work hours.

Health and Safety

Disclosure	Quantity	Units
No. of substantiated complaints on product or service health and safety*	0	#
No. of complaints addressed	N/A	#

**Substantiated complaints include complaints from customers that went through the organization’s formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Impacts

Ensuring customer safety is not only crucial for the well-being of the customers themselves but also for the broader community that utilizes the same facilities. Similar to workplace health and safety, where safeguarding employees' health contributes to public health. By prioritizing customer safety, businesses can cultivate an environment where customers feel valued and protected. This heightened sense of safety and security can, in turn, foster customer loyalty and satisfaction, which are key drivers of repeat business and positive recommendations. Ultimately, these factors contribute to the financial health of the company, generating increased revenue and profitability, which benefits both the company itself and its stakeholders.

Management Approach

CLI places a high priority on mitigating risks and ensuring the safety and well-being of all individuals within its managed properties. This commitment extends to tenants, guests, homeowners associations,

and Condo Corps under CLI PM. To achieve this, the Company has implemented comprehensive customer health and safety policies across its portfolio.

One crucial aspect of these policies is maintaining safe and secure spaces for everyone. This includes implementing specific measures tailored to the needs of each property. For instance, in response to the Anti-Rabies Law (RA 9482), CLI PM has proactively introduced pet ownership policies in certain locations. These policies aim to minimize the risk of rabies transmission and promote responsible pet ownership within the community. To support these policies, CLI PM has taken a collaborative approach by partnering with expert resource persons and local government units to organize and facilitate educational seminars focused on responsible pet ownership. CLI PM has also taken concrete steps to prevent the spread of rabies by offering free anti-rabies vaccination programs to homeowners. By making these vaccinations readily available, CLI PM actively contributes to the overall health and safety of the community. These initiatives demonstrate CLI's unwavering commitment to creating a secure and healthy environment for all stakeholders within its managed properties.

Marketing and labelling

Disclosure	Quantity	Units
No. of substantiated complaints on marketing and labelling*	0	#
No. of complaints addressed	N/A	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Impacts

Companies have a responsibility to ensure that their customers are well-informed about their products. This includes providing accurate and relevant product information that empowers consumers to make informed decisions and stay safe. By being transparent and truthful in their marketing and labeling practices, CLI can foster a sense of trust and confidence among their customers, contributing to a safer and more informed marketplace. This commitment to consumer education and safety not only benefits the individual consumer but also promotes overall public safety and well-being.

Risks

Digital media channels for product advertising can lead to concerns around brand safety and data breaches, as well as third-party claims of intellectual property infringement. Additionally, the inadvertent placement of advertising content near inappropriate content on social media can negatively impact brand value. These scenarios can result in reputational, business, data security, and legal risks. Furthermore, property marketing materials that utilize conceptual and schematic designs from architects can create risk if the promised features and amenities are not ultimately delivered. CLI takes measures to ensure that all promised features and amenities in marketing materials are provided.

Management Approach

Given the highly competitive real estate market, particularly in the residential and commercial sectors, customers are increasingly demanding unique features such as a strong online presence, brand recognition, mobile apps, and online events that can substitute for time-consuming, in-person activities. To address this, CLI employs a multi-channel advertising strategy that includes billboards, LED screens, brochures, radio ads, social/digital media, and other channels. CLI ensures that all public-facing advertising and branding campaigns adhere to the laws and regulations of government bodies such as the Department of Trade and Industry (DTI) and Ads Standards Committee (ASC).

Customer privacy

Disclosure	Quantity	Units
No. of substantiated complaints on customer privacy*	0	#
No. of complaints addressed	N/A	#
No. of customers, users and account holders whose information is used for secondary purposes	0	#

**Substantiated complaints include complaints from customers that went through the organization's formal communication channels and grievance mechanisms as well as complaints that were lodged to and acted upon by government agencies.*

Data Security

Disclosure	Quantity	Units
No. of data breaches, including leaks, thefts and losses of data	0	#

Impacts and Risks

CLI acknowledges that hacking and data breaches present a significant risk to both customer and corporate data security. These security incidents could lead to a wide range of negative consequences. Hacking and data breaches can disrupt CLI's operations, potentially leading to downtime, service interruptions, and financial losses. The loss or theft of sensitive corporate information, such as financial data, or strategic plans, could harm CLI's competitive position, damage its reputation, and reduce shareholder value. A data breach that results in the theft of a Personally Identifiable Information (PII), such as names, addresses, social security numbers, or financial information, could also expose affected individuals to identity theft, fraud, and other forms of harm. This can lead to significant financial losses, emotional distress, and reputational damage for both the affected individuals and CLI. CLI recognizes that the potential consequences of hacking and data breaches are severe and far-reaching. The company is committed to taking all necessary steps to protect its data and minimize the risk of security incidents.

Management Approach

CLI's strong commitment to data privacy is evident in the consistent implementation of its privacy management programs, making sure that the company maintains robust protection measures not only technically but also physically and organizationally.

Recognizing the increasing sophistication of threats, top management prioritizes the security and well-being of customer and stakeholder data. This translates into concrete actions including internal process and cybersecurity enhancements in line with data privacy and information security standards, regular employee awareness training sessions, and proactive vulnerability assessments and audits. The company's data privacy and IT security strategy is also forward-looking, aligning with its growth trajectory and digital direction.

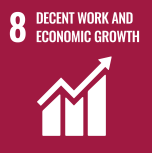
CLI's three-year innovation roadmap also focused on bolstering infrastructure security, reliability, and scalability. The program's components, such as CyberSecurity, Network Infrastructure, and IT Service Management, demonstrate CLI's dedication to improving data security and safeguarding customer privacy. All these efforts are formally committed, implemented, and monitored through CLI's performance management system and benefit from the approval and guidance of top management and its corporate governance and risk committees.

In 2025, CLI conducted a total of nine (9) Privacy Impact Assessments (vs. seven (7) planned assessments) , established new security assessment templates for all systems and software, and updated the IT Risk Register which now serves as lead for all audits. The Company has also started the draft of six (6) ISO 27001-aligned policies.

UN SUSTAINABLE DEVELOPMENT GOALS

Product or Service Contribution to UN SDGs

Key products and services and its contribution to sustainable development.

Sustainable Development Goals (SDGs)	Key business activities and sustainability initiatives contributing to the SDGs	Contribution to the SDGs (including direct positive impacts or potential negative impacts, and management approach to negative impacts)
CREATING A SAFE AND ENGAGING WORK ENVIRONMENT		
 3 GOOD HEALTH AND WELL-BEING	Prioritization of health and well-being in employee benefits and initiatives	GOAL 3: Good Health and Well-Being CLI invests in its employees' well-being, motivation, and engagement through various initiatives, including event celebrations, corporate outings, and town halls that foster stronger relationships and creative expression. Additionally, the Hilig Club offers learning sessions and wellness activities, with specialized groups such as the Outdoor Club, the Volleyball & Badminton Club, and the Martial Arts Club, further promoting a well-rounded work environment. The Company has also established safety protocols to mitigate potential harm, hazards, and accidents in the workplace. In 2025, the Company implemented 37 DOLE-approved Construction Safety and Health Training Programs, such as Mandatory Eight-Hour Safety and Health (MESH) Training, Personal Protective Equipment, Construction Hazards, Flagman Safety, and Risk Assessment training. For 2025, CLI attained a total of 19,716,129.00 safe man-hours.
 5 GENDER EQUALITY	Equal opportunity in the workplace	GOAL 5: Gender Equality CLI promotes diversity and equal opportunity in the workplace and its areas of operations. In 2025, the Company has a workforce comprising 53% female and 47% male employees (direct hires only).
 8 DECENT WORK AND ECONOMIC GROWTH	Job opportunities in construction, managed properties, and livelihood programs in community development initiatives	GOAL 8: Decent Work and Economic Growth CLI offers safe and decent jobs by providing health spaces and good working environments and practices. In 2025, the Company had a total of 1,390 direct hires and 9,215 indirect hires (outsourced personnel). The Company provided a total of 15,382.50 training hours for its employees. On the other hand, the CLI Foundation continues to promote the farmers' produce through a farm-to-market initiative known as Tabo. In 2025, three (3) new farmer associations—Langob Sirao

		Farmers, Cambinocot MPC, and Gulay Farmers—were engaged for Tabo, benefiting 80 new farmers through Tabo activities. Additionally, 18 new farmers received livelihood skills training. The Tabo venues also expanded to four (4) of CLI-managed properties, namely Casa Mira Guadalupe, 38 Park, Mivela Garden–Banilad, and Park Centrale. Another livelihood program is EcoEd, an initiative that equips participants with technical expertise in reforestation management. In 2025, CLI introduced four (4) new green skills learning sessions and workshops equivalent to 18 hours of training, benefiting 69 new farmers and fishermen. Since 2021, CLI Foundation has conducted 40 green skills learning sessions equivalent to 158 hours, building capacities of 924 farmers and fishermen under the EcoEd program.
	Support to local suppliers and inclusion of marginalized/ underrepresented groups	GOAL 10: Reduced Inequalities CLI's developments provide employment opportunities and support local businesses. It supports a workforce of more than 10,000 direct and indirect hires and more than 5,000 workforce occupying its office buildings and retail spaces. Moreover, CLI allocates 80% of its procurement expenses to VisMin suppliers, 18% to Luzon suppliers, and 2% to foreign suppliers. CLI Foundation also provides livelihood skills training to its partner communities and organizations through socio-environmental initiatives such as EcoEd.
PROMOTING CARE FOR THE ENVIRONMENT		
	Water consumption	GOAL 6: Clean Water and Sanitation CLI's operations require significant amounts of water. To manage water consumption and promote conservation, the Company has implemented measures such as installing water-saving fixtures in the facilities and establishing rainwater collection systems in operational properties. As of 2025, 17 horizontal and 14 vertical properties were noted to have rainwater collection systems, recording a total of 72,839 cubic meters of water reused onsite for irrigation, facility upkeep and other uses. This promotes water conservation, mitigates soil erosion, minimizes water runoff, and aids flood prevention.
	Integration of solar panels in its properties	GOAL 7: Affordable and Clean Energy CLI utilizes renewable energy through the installation of solar panels for its street lights in 12 of its properties such as Magspeak, Park Centrale, and SJV. CLI is also proud to launch Casa Mira Homes GenSan, the first solar-integrated economic housing community, where each household can cut energy costs by an estimated PHP 600–PHP 3,000 per month.

		CLI Foundation supports its beneficiary institution, the Center for Industrial Technology and Enterprise (CITE) by funding the procurement, installation and maintenance of a solar panel system that supplies the energy demand of this school that offers free engineering technology programs to students from underprivileged families
	Construction activities and property operations, and CLI Foundation's socio-environmental initiatives such as TREE and Magspeak	GOAL 13: Climate Action, GOAL 14: Life Below Water, and GOAL 15: Life on Land The nature of CLI's operations can potentially disturb and damage biodiversity and contribute to pollution, affecting the natural balance of local environments. Hence, CLI strives to manage its environmental impacts and seeks to help protect ecosystems through adopting sustainable building practices and conducting various initiatives in collaboration with its host communities and external partners.
		
		In 2025, CLI produced 23,547 new seedlings and planted 20,648 new trees, increasing the total tree cover by 25.81 hectares. Since 2021, there are now a total of 433,047 trees planted in 199 community planting sites covering a total of 428.46 hectares across Visayas. In protected areas such as the locality of MagsPeak Mountain Resort, CLI conducted a diversity assessment as a baseline for monitoring its impacts on local wildlife. In general, CLI complies with environmental regulations for all its properties, ensuring that its environmental impacts are manageable.
PIONEERING SUSTAINABLE BUILDING PRACTICES		
	CLI's developments	GOAL 9: Industry, Innovation and Infrastructure CLI sets the trend in developing socialized housing medium-rise buildings for the urban poor in partnership with the local government. The Company also maintains a growing portfolio of developments that are either green-certified or designed to meet international sustainability standards, championing Philippines' national voluntary green building rating system, Building for Ecologically Responsive Design Excellence (BERDE), as well as the Leadership in Energy and Environmental Design (LEED) and Excellence in Design for Greater Efficiencies (EDGE).
	Construction activities and property operations	GOAL 12: Responsible Consumption and Production The activities required for the Company's operations and social responsibility programs inevitably consume resources and produce waste material. To manage the impacts, CLI has policies in place to manage and monitor its consumption of resources and generation of waste material. Efficiency initiatives

		are implemented and continuously explored to control resource consumption and waste production. Moreover, CLI has an established waste management program to handle waste in all its managed properties. This program encompasses waste reduction, segregation, and proper disposal. The plan includes protocols for recording, monitoring, education, and regular review, as guided by RA 9003, the Ecological Solid Waste Management Act of 2000. The Company also engages with external partners for waste recycling and planning for circular economy models for its operations.
ADVOCATING FOR SOCIAL ADVANCEMENT		
	Economic and socialized housing projects, and response during Typhoon Tino and Cebu Earthquake	GOAL 1: No Poverty As of 2025, close to 50% of CLI's 43,042 residential units cater to low-income markets, with more than 20,000 housing units delivered to date, namely: economic housing in Casa Mira Homes (10,929 units), Casa Mira Towers (8,186 units), and Mirani Steps (215 units); and socialized housing in Villa Casita (764 units), Pinamalayan housing in Oriental Mindoro (338 units), Walk-Up Sugbo 1 Residences (100 units), and Tipolo Residences (90 units). During the Typhoon Tino and Cebu Earthquake, CLI provided emergency tents for temporary shelters, roofing materials for repairs, and furnished four (4) modular shelter units, aside from food, drinking water, and household essentials for displaced families affected by the earthquake. Beyond emergency aid, the Company deployed engineering expertise, heavy equipment, and construction teams to support structural safety assessments, road clearing, flood mitigation, and river flow restoration.
	CLI Foundation's socio-environmental initiatives such as the GROW and GREEN program that benefited partner farmers and fishers.	GOAL 2: Zero Hunger CLI helps boost the agricultural productivity of partner farmers through providing green skills training and giving them designated spaces at the Company's managed properties allowing the sale of their local produce that provide alternative sources of income for the farmers.
	LEAP (Leadership and Educational Assistance Program) and ETEEAP (Expanded Tertiary Education Equivalency and Accreditation Program)	GOAL 6: Quality Education CLI supports 20 university scholars taking up architecture, engineering, business, marketing and hospitality programs under LEAP, while two (2) graduates have transitioned to gainful employment. CLI also started its new initiative of assisting six (6) ETEEAP scholars.

		The Company also supports its partner communities through organizing training and learning sessions under programs such as EcoEd and Tabo.
	CLI's developments and inclusion in the ATRAM Philippines Sustainable Development and Growth Fund; Alignment to the UNDP-identified investment focus areas that address social needs	GOAL 11: Sustainable Cities and Communities In 2025, CLI continues to build well-planned, accessible, healthy, eco- efficient, inclusive and sustainable spaces. More eco-features are integrated in its developments such as pocket parks, smart programmable street lighting, designated bike lanes, wide walkways, emphasizing its dedication to innovative urban development and environmental sustainability. The Company's commitment to promoting affordable housing has also been boosted through CLI's inclusion in the ATRAM Philippine Sustainable Development and Growth Fund that shall help address the Philippines' 6.7-million housing backlog.
	CLI's JV partnerships and CLI Foundation's collaboration with external organizations that resulted in positive social impact	GOAL 17: Partnerships for the goals CLI builds and strengthens relationships with its partners, communities, government, civil society organizations and the rest of its stakeholders. In 2025, CLI Foundation's efforts benefited a total of 10,627 families, 44,411 individuals and 139 institutions through direct implementation and through external partnerships across all programs. Since 2021, CLI Foundation has benefited a total of 16,046 families, 64,888 individuals, and 282 institutions through direct implementation and through external partnerships across all programs.