May 14, 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 7.9.3 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 to The Philippine Stock Exchange, Inc.

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: [redacted]

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

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 17.1(b) OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

☐ Preliminary Information Statement

☑ Definitive Information Statement

2. Name of Registrant as specified in its charter

CEBU LANDMASTERS, INC.

3. Province, country or other jurisdiction of incorporation or organization

CEBU CITY, CEBU, PHILIPPINES

4. SEC Identification Number

CS200321240

5. BIR Tax Identification Code

227-599-320-000

6. 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

7. Registrant's telephone number, including area code

227-599-320-000

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

June 05, 2026 (Friday) at 09:30 A.M. to be held through hybrid of remote through teleconferencing and/or videoconferencing, and in-person in Radisson Red Cebu, Astra Centre, A.S. Fortuna St., Mandaue City, Cebu, Philippines

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

May 14, 2026

10. In case of Proxy Solicitations:

Name of Person Filing the Statement/Solicitor

N/A

Address and Telephone No.

N/A

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

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

13. 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:

THE PHILIPPINE STOCK EXCHANGE - COMMON SHARES AND PREFERRED SHARES

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, 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 17-5 - Information Statement for Annual or Special Stockholders' Meeting

References: SRC Rule 20 and Section 17.10 of the Revised Disclosure Rules

Date of Stockholders' Meeting	Jun 5, 2026
Type (Annual or Special)	Annual
Time	9:30 AM
Venue	Through a hybrid of remote through teleconferencing and/or videoconferencing, and in-person in Radisson Red Cebu, Astra Centre, A.S. Fortuna St., Mandaue City, Cebu, Philippines
Record Date	Apr 23, 2026

Inclusive Dates of Closing of Stock Transfer Books

Start Date	Apr 24, 2026
End date	Apr 24, 2026

Other Relevant Information

If you are a CLI stockholder as of April 23, 2026 and intend to join this Annual Stockholders' Meeting to be held on 05 June 2026, kindly send an email to corporate.secretary@cebulandmasters.com.

Filed on behalf by:

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

COVER SHEET

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SEC REGISTRATION NUMBER

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(Company Name)

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

Atty. Larri-Nil G. Veloso

Contact Person

(032) 231 - 4870

Company Telephone Number

1	2

Month

3	1

Day

20-IS

Form Type

0	6

Month

0	5

Day

Regular Stockholders' Meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc

Amended Articles Number/Section

Total Amount of Borrowings

24

Total No. of Stockholders

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 I.T. PARK, BRGY. APAS
CEBU CITY, PHILIPPINES 6000

(Company Address)

(032) 231 – 4870

(Telephone Number)

31 December 2025

(Fiscal Year Ended)

SEC Form 20-IS

Definitive Information Statement

(Form Type)

(Amendments)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [ ] Preliminary Information Statement

   [✔] Definitive Information Statement

2. Name of Registrant as specified in its charter: **CEBU LANDMASTERS, INC.**

3. **CEBU, PHILIPPINES**
   Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number: **CS200321240**

5. BIR Tax Identification Code: **227-599-320-000**

6. **10th Floor, Park Centrale Tower, Jose Ma. del Mar St.**
   B2 L3, Cebu I.T. Park, Brgy. Apas, Cebu City, Philippines **6000**
   Address of principal office Postal Code

7. Registrant's telephone number, including area code: **(032) 231-4870**

8. **5 June 2026, 9:30 A.M., hybrid remote, through teleconferencing and/or videoconferencing, and in-person in Radisson Red Cebu, Astra Centre, A.S. Fortuna St., Mandaue City, Cebu Philippines**
   Date, time, and place of the meeting of security holders

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

   14 May 2026 (Definitive Information Statement)

10. ***In case of Proxy Solicitations:***

    Name of Person Filing the Statement/Solicitor: **NOT APPLICABLE**

    Address and Telephone No.: **NOT APPLICABLE**

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

    Number of Shares of Common Stock
    Outstanding or Amount of Debt Outstanding

Title of Each Class	2025 (as of 31 December 2025)	As of 23 April 2026 (Record Date)
Common Shares - Outstanding	3,465,201,467	3,465,201,467
Common Shares - Treasury	158,250,530	158,250,530
Series A Preferred Shares	4,280,340	4,280,340

12. Are any or all of the registrant's securities listed in a Stock Exchange?

    Yes **X** No _____

    If yes, disclose the name of such Stock Exchange and the class of securities listed therein:
    Philippine Stock Exchange – Common Shares
    Philippine Stock Exchange – Preferred Shares

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PART I.
INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

Item 1. Date, time, and place of meeting of security holders

DATE: 5 June 2026 (Friday)
TIME: 9:30 A.M.
VENUE: Hybrid remote, through teleconferencing and/or videoconferencing, and in-person in Radisson Red Cebu, Astra Centre, A.S. Fortuna St., Mandaue City, Cebu, Philippines

Mailing Address of Principal Office:

10th Floor, Park Centrale Tower, Jose Ma. del Mar St., B2 L3, Cebu IT Park
Brgy. Apas, Cebu City, Philippines 6000

The Preliminary Information Statement (SEC Form 20-IS) may be accessed by CLI stockholders no later than 29 April 2026 at the Company website (see link below). CLI undertakes to publish and upload copy of its Definitive Information Statement (SEC Form 20-ISA) and its accompanying annexures at the Company website no later than 14 May 2026, which is at least (15) business days prior to CLI's 2026 ASM, in compliance with the requirements of the Securities and Exchange Commission.

https://cebulandmasters.com/investor-relations/stockholders-meeting

Item 2. Dissenters' Right of Appraisal

Under Section 80 of the Revised Corporation Code of the Philippines (R.A. 11232), a stockholder shall have the right to dissent and demand payment of the fair value of his shares in the following instances:

(a) In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence;

(b) In case of sale, lease, exchange, transfer, mortgage, pledge, or other disposition of all or substantially all of the corporate property and assets as provided in the Corporation Code;

(c) In case of merger or consolidation; and

(d) Investment of funds in any other corporation or business or for any purpose other than the primary purpose for which the Corporation was organized.

There are no matters to be acted upon in this Regular Stockholders Meeting of Cebu Landmasters, Inc. ("CLI" or the "Company") that may give rise to the exercise of appraisal rights by stockholders in accordance with the afore-quoted provisions of the Revised Corporation Code.

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

There exists no conflict-of-interest situation for any of the individual members of the CLI Board of Directors ("CLI Directors") that require disclosure under this item.

None of the CLI Directors is opposing any action to be taken by the Company in this Regular Stockholders' Meeting. CLI is not aware of any other party who has indicated an intention to oppose the motions set forth in the Agenda.

To the best of the Company's knowledge and belief, no person who has been a director or officer of the Company at any time since the beginning of the last fiscal year, no nominee for election as director, and no associate of any of the foregoing persons, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon at the 2026 Annual Stockholders' Meeting, other than election to office.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

(a) Number of Outstanding Shares as of 23 April 2026 (Record Date)

Common Shares - Outstanding (Voting)	3,465,201,467
Common Shares - Treasury (Non-Voting)	158,250,530
Series "A" Preferred Shares (Non-Voting)	4,280,340

(b) Record Date: 23 April 2026

Pursuant to the resolution of the CLI Board during its regular meeting held on 7 April 2026, all CLI shareholders entitled to vote as of Record Date (23 April 2026) are entitled to attend and vote at the Regular Stockholders' Meeting to be held on 5 June 2026

(c) Manner of Voting

Each holder of CLI common shares is entitled to one (1) vote for every outstanding common share in accordance with Section 7, Article III of CLI's By-laws as amended.

For the election of Board directors, holders of CLI common shares entitled to vote as of the record date of 23 April 2026 may vote their shares by way of "cumulative voting for one candidate" or "cumulative voting by distribution", all in keeping with Sec. 23 of Republic Act No. 11232, otherwise known as the Revised Corporation Code of the Philippines ("RCC", for brevity).

In "cumulative voting for one candidate", a holder of CLI common shares entitled to vote may lump and vote all of his/her cumulative shares for one candidate such that if he/she owns 1,000 common shares and there are eleven (11) directors standing for election, he/she may cast all of his/her 11,000 votes in favor of one candidate. In "cumulative voting by distribution", he/she may cast his/her 11,000 votes among two or more candidates equally or some other proportion at his/her discretion. The Company sets no condition precedent for the exercise of one voting method over the other since these options are provided for by law.

Consistent with Sec. 57 of the RCC, CLI stockholders may vote in person or by proxy in all meetings of stockholders.

Proxies shall be in writing, signed, and filed by the stockholder in any form authorized by CLI's By-laws and received by the Office of the Corporate Secretary within a reasonable time before the scheduled meeting. Unless otherwise provided in the proxy form, it shall be valid only for the meeting for which it is intended. No proxy shall be valid and effective for a period longer than five (5) years at any one time.

As of this publication, voting through remote communication or in absentia is not yet authorized in the Company's By-laws or by the majority of the Board of Directors. However, stockholders or their proxies who wish to join this Regular Stockholders' Meeting remotely can send their ballots or proxy forms, where they can indicate their votes on every agenda item, to the Corporate Secretary on or before 29 May 2026 so that such votes can be counted prior to the meeting. Copies of the ballots and proxy forms are attached herewith as Annexures "B", "C", and "D".

As regards treasury shares, pursuant to Sec. 56 of the RCC, the same shall have no voting rights as long as they remain in the treasury.

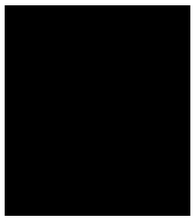
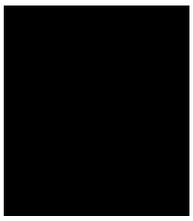
The Series "A" Preferred Shares have no voting rights except as specifically provided under the RCC. Hence, the holders and/or beneficial owners of Series "A" Preferred Shares are not eligible or entitled to vote for and elect the CLI Directors and/or vote for other agenda items in the Regular Stockholders Meeting.

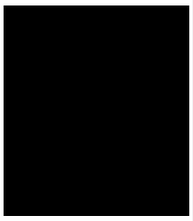
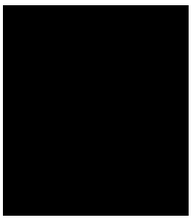
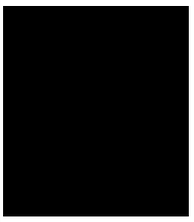
(d) Security Ownership of Certain Record and Beneficial Owners

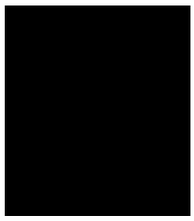
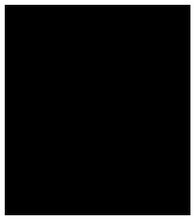
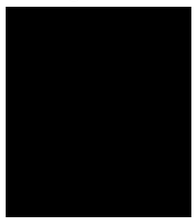
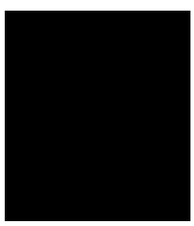
Below are the holders and/or beneficial owners of CLI shares of stock and which are entitled to vote as of Record Date (23 April 2026):

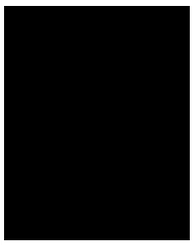
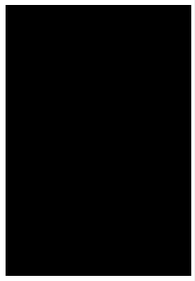
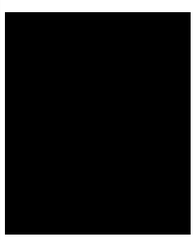
Class	Name, Address of Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Issued and Outstanding Shares	Percentage to Total Issued and Outstanding Shares
Common	AB Soberano Holdings Corp. Address: 2nd Street Villa San Lorenzo, Quijada Street, Guadalupe, Cebu City 6000 Relationship with CLI: Parent Company	AB Soberano Holdings Corp. (Direct)	Filipino	2,198,385,729	60.67%
Common	AB Soberano Holdings Corp. Address: 2nd Street Villa San Lorenzo, Quijada Street, Guadalupe, Cebu City 6000 Relationship with CLI: Parent Company	AB Soberano Holdings Corp. (Direct)	Filipino	21,345,560	0.59%
Common	AB Soberano Holdings Corp. Address: 2nd Street Villa San Lorenzo, Quijada Street, Guadalupe, Cebu City 6000 Relationship with CLI: Parent Company	AB Soberano Holdings Corp. (Direct)	Filipino	63,675,306	1.76%
Common	AB Soberano Holdings Corp. Address: 2nd Street Villa San Lorenzo, Quijada Street, Guadalupe, Cebu City 6000 Relationship with CLI: Parent Company	AB Soberano Holdings Corp. (Direct)	Filipino	5,463,500	0.15%
Common	AB Soberano Holdings Corp.	AB Soberano Holdings Corp.	Filipino	5,329,000	0.15%

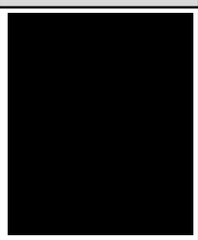
Class	Name, Address of Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Issued and Outstanding Shares	Percentage to Total Issued and Outstanding Shares
	Address: 2nd Street Villa San Lorenzo, Quijada Street, Guadalupe, Cebu City 6000 Relationship with CLI: Parent Company	(Direct)			
Common	PCD NOMINEE CORP. (FILIPINO) Address: PDS Group 29th Floor, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City 1226 Relationship with CLI: None	PCD participants acting for themselves or for their customers (Indirect)	Filipino	1,244,529,830	34.35%
Common	PCD NOMINEE CORP. (NON-FILIPINO) Address: PDS Group 29th Floor, BDO Equitable Tower, 8751 Paseo de Roxas, Makati City 1226 Relationship with CLI: None	PCD participants acting for themselves or for their customers (Indirect)	Others	35,744,456	0.99%
Common	Jose R. Soberano III (Direct [redacted] Relationship with CLI: Chairman of	Jose R. Soberano III (Direct)	Filipino	31,220,000	0.86%

Class	Name, Address of Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Issued and Outstanding Shares	Percentage to Total Issued and Outstanding Shares
	the Board, President, and CEO. He is nominated as Director for the election in the Regular Stockholders' Meeting.				
Common	Jose Franco B. Soberano  Relationship with CLI: Director, COO and Senior Executive Vice-President. He is nominated as Director for the election in the Regular Stockholders' Meeting.	Jose Franco B. Soberano (Direct)	Filipino	7,247,500	0.20%
Common	Janella Mae B. Soberano-Wu  Relationship with CLI: Vice President for After Sales, Corporate Communications and Premier Marketing	Janella Mae B. Soberano-Wu (Direct)	Filipino	5,017,500	0.14%

Class	Name, Address of Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Issued and Outstanding Shares	Percentage to Total Issued and Outstanding Shares
Common	Joanna Marie B. Soberano-Bergundthal  Relationship with CLI: Director and Executive Vice-President for Marketing, HR, Commercial Leasing and Asst. Treasurer. She is nominated as Director for the election in the Regular Stockholders' Meeting.	Joanna Marie B. Soberano-Bergundthal (Direct)	Filipino	5,017,500	0.14%
Common	Ma. Nona A. Velez  Relationship with CLI: None	Ma. Nona A. Velez	Filipino	300,000	0.01%
Common	Myrna P. Villanueva  Relationship with CLI: None	Myrna P. Villanueva (Direct)	Filipino	39,300	0.00%
Common	Milagros P. Villanueva	Milagros P. Villanueva (Direct)	Filipino	22,300	0.00%

Class	Name, Address of Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Issued and Outstanding Shares	Percentage to Total Issued and Outstanding Shares
	 Relationship with CLI: None				
Common	Winglip Anthony Mozar Chang &/or Xacah Alessandra Kiener Chang  Relationship with CLI: None	Winglip Anthony Mozar Chang &/or Xacah Alessandra Kiener Chang (Direct)	Filipino	11,819	0.00%
Common	Elizabeth S. Cheng or Ivana Hester S. Cheng or Lawrence S. Cheng  Relationship with CLI: None	Elizabeth S. Cheng or Ivana Hester S. Cheng or Lawrence S. Cheng (Direct)	Filipino	2,230	0.00%
Common	Marietta V. Cabreza  Relationship with CLI: None	Marietta V. Cabreza (Direct)	Filipino	22,300	0.00%
Common	Lolita Siao-Ignacio	Lolita Siao-Ignacio	Filipino	22,300	0.00%

Class	Name, Address of Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Issued and Outstanding Shares	Percentage to Total Issued and Outstanding Shares
	 Relationship with CLI: None	(Direct)			
Common	Maria Lourdes M. Onozawa  Relationship with CLI: None	Maria Lourdes M. Onozawa	Filipino	22,300	0.00%
Common	Myra P. Villanueva  Relationship with CLI: None	Myra P. Villanueva (Direct)	Filipino	33,450	0.00%
Common	Owen Nathaniel S AU ITF: LI MARCUS AU  Relationship with CLI: None	Owen Nathaniel S AU ITF: LI MARCUS AU (Indirect)	Filipino	111	0.00%
Common	Jesus N. Alcordo	Jesus N. Alcordo	Filipino	2	0.00%

Class	Name, Address of Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Issued and Outstanding Shares	Percentage to Total Issued and Outstanding Shares
	 Relationship with CLI: None	(Direct)			
Common	Ma. Aurora D. Geotina-Garcia  Relationship with CLI: Incumbent Independent Director of CLI whose maximum cumulative nine (9)-year term as Independent Director will be completed upon conclusion of the Board's 2025-2026 term.	Ma. Aurora D. Geotina - Garcia (Direct)	Filipino	2	0.00%
Common	Rufino Luis T. Manotok  Relationship with CLI: Incumbent Lead Independent Director; nominated for re-election as Non-Executive Director for the Board's 2026-2027 term.	Rufino Luis T. Manotok (Direct)	Filipino	2	0.00%
			TOTAL	3,623,451,997	100%

In all stockholders' meetings, both regular and special, the Company shares held by AB Soberano Holdings Corp. are to be voted by JOSE FRANCO B. SOBERANO, who is one of its directors.

The Series “A” Preferred Shares have no voting rights except as specifically provided under the RCC. Hence, the holders and/or beneficial owners of Series “A” Preferred Shares are not eligible or entitled to vote for and elect the CLI Directors and/or vote for other agenda items in the Regular Stockholders Meeting.

(e) Voting Trust Holders of 5% or More

To the best of the Company’s knowledge, no person holds, under a voting trust or similar agreement, five (5%) or more of CLI’s outstanding voting shares. CLI is likewise not aware of any voting trust or similar agreement that has resulted in, or may result in, a change in control of the Company.

(f) Change in Control of the Registrant since the Beginning of its last Fiscal Year

There is no change in control of the Registrant since the beginning of its last fiscal year.

Item 5. Directors and Executive Officers

LEGAL PROCEEDINGS

As of date of this Information Statement, 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.

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.
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.

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.

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. 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.

(i) **Information about Directors**

As of the date of this Information Statement, the Board consists of eleven (11) members, including five (5) independent directors in accordance with the requirements of the Securities Regulation Code and the SEC's Code of Corporate Governance for Publicly-Listed Companies (SEC Memorandum Circular No. 19, series of 2016). All of the Company's incumbent directors, including its independent directors, were re-elected at the Company's regular stockholders' meeting held on 11 July 2025 and will continue to serve as such until the next annual stockholders meeting to be held on 5 June 2026, or until their successors have been duly elected and qualified.

Members of the Board of Directors

Name	Age	Position	Citizenship	Date of first appointment as CLI Director
Jose R. Soberano III	[redacted]	Chairman of the Board, President, and Chief Executive Officer (CEO)	Filipino	September 2003
Ma. Rosario B. Soberano		Director, Treasurer and Executive Vice-President	Filipino	September 2003
Jose Franco B. Soberano		Director, Chief Operating Officer (COO), and Senior Executive Vice-President	Filipino	November 2010
Joanna Marie S. Bergundthal		Director, Executive Vice-President for Marketing, HR, Commercial Leasing and Asst. Treasurer	Filipino	February 2017
Rufino Luis T. Manotok		Lead Independent Director	Filipino	February 2017
Ma. Aurora D. Geotina-Garcia		Independent Director	Filipino	February 2017
Atty. Ma. Jasmine S. Oporto		Independent Director	Filipino	August 2018
Dr. Winston Conrad B. Padojinog		Independent Director	Filipino	July 2025
Eugene S. Acevedo		Independent Director	Filipino	July 2025
Stephen A. Tan		Non-Executive Director	Filipino	May 2019
Beauregard Grant L. Cheng		Non-Executive Director	Filipino	May 2019

Jose R. Soberano III, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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. Bergundthal does not hold directorships in other entities outside the CLI Group.

Rufino Luis T. Manotok, [redacted] 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	Nature of Directorship
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, [redacted] 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, [redacted] 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, [redacted], 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, [redacted] 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, [redacted], 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 Kathlioke 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

Beauregard Grant L. Cheng, [redacted] 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 31 March 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

(ii) **Nominees for Directors and Independent Directors**

The table below sets forth the nominees for election to the Board of Directors of CLI for the 2026-2027 term, including the nominees for Independent Directors. The nominees were evaluated by the Nominations Committee composed of Dir. Jose R. Soberano III, Dir. Ma. Rosario B. Soberano, and Dir. Rufino Luis T. Manotok, Chairperson of the Nominations Committee, at its regular meeting held on 6 March 2026.

The Nominations Committee passed upon and pre-screened the qualifications of the nominees and ascertained, based on the information and documents submitted, that the nominees possess the qualifications and none of the disqualifications for election as directors and, as applicable, Independent Directors.

The nomination 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 board members.

The nominated directors, including the nominated CLI Independent Directors, have signified their acceptance of their respective nominations.

Names of Nominees	Age	Position	Citizenship
Jose R. Soberano III	[redacted]	Chairman of the Board	Filipino
Ma. Rosario B. Soberano		Director	Filipino
Jose Franco B. Soberano		Director	Filipino
Joanna Marie S. Bergundthal		Director	Filipino
Atty. Ma. Jasmine S. Oporto		Independent Director	Filipino
Dr. Winston Conrad B. Padojinog		Independent Director	Filipino
Dr. Eugene S. Acevedo		Independent Director	Filipino
Rufino Luis T. Manotok		Non-Executive Director	Filipino
Stephen A. Tan		Non-Executive Director	Filipino
Beauregard Grant L. Cheng		Non-Executive Director	Filipino
Leonardo D. Cuaresma, Jr.		Independent Director	Filipino

Dir. Jose R. Soberano III, a member of the Nominations Committee and a stockholder of CLI, nominated Mr. Leonardo D. Cuaresma, Jr. as a new nominee for Independent Director of CLI, in view of the completion by Director Ma. Aurora D. Geotina-Garcia of the maximum cumulative nine (9)-year term as Independent Director. The rest of the nominees for CLI Independent Directors were nominated by Dir. Jose R. Soberano III and Dir. Ma. Rosario B. Soberano, both members of the Nominations Committee.

The remaining incumbent directors were evaluated by the Nominations Committee and nominated for re-election for the ensuing 2026-2027 term; provided, that Dir. Rufino Luis T. Manotok, who presently serves as Lead Independent Director, has been nominated for election as Non-Executive Director following the completion of his maximum cumulative term as Independent Director.

Accordingly, the nominees for election to the CLI Board of Directors consist of ten (10) incumbent directors and one (1) new nominee for Independent Director, or a total of eleven (11) nominees. The nominees for Independent Director are Atty. Ma. Jasmine S. Oporto, Dr. Winston Conrad B. Padojinog, Dr. Eugene S. Acevedo, and Mr. Leonardo D. Cuaresma, Jr. None of the nominating stockholders is related to the respective Independent Director nominee who he or she nominated.

The nominated Independent Directors are independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with the exercise of independent judgment in carrying out their responsibilities as directors of CLI. They possess all the qualifications and none of the disqualifications for Independent Directors under the SRC, its IRR, the RCC, and other pertinent rules and regulations. They do not own more than five (5%) of the outstanding shares of CLI and/or its subsidiaries and affiliates. They are not related to any director, officer, or shareholder owning at least 20% of the outstanding capital stock of CLI. They are likewise not acting as a nominee or representative of any director or substantial shareholder of CLI and/or any of its subsidiaries and affiliates. They have not been employed in any executive capacity in CLI, any of its related companies, and/or by any of its substantial shareholders within the last two (2) years, and have not been retained, either personally or through firm or any similar entity, as professional adviser, by CLI or any of its subsidiaries and affiliates, within the last two (2) years, and they have not engaged in any transaction with CLI and/or with any of its subsidiaries and affiliates, whether by himself and/or with other persons and/or through a firm of which he is a partner and/or a company of which he is a director or substantial shareholder, other than transactions which are conducted on an arm's length basis.

The nomination, pre-screening, and election process for the Independent Directors were undertaken in accordance with SRC Rule 38, as amended, Article IV, Section 3 of CLI's Amended By-Laws, the Nominations Committee Charter, and its pertinent nomination and election guidelines.

Upon election of the nominees, the Board of Directors of CLI will consist of eleven (11) directors, four (4) of whom will be Independent Directors, representing at least one-third of the Board membership, in compliance with the RCC, SRC, and SEC's corporate governance requirements. Upon their election during the upcoming Regular Stockholders' Meeting, the independent directors shall be Atty. Ma. Jasmine S. Oporto, Dr. Winston Conrad B. Padojinog, Dr. Eugene S. Acevedo, and Mr. Leonardo D. Cuaresma, Jr.

In accordance with CLI's Manual on Corporate Governance and policy on Board seats, Non-Executive Directors, including Independent Directors, are limited to serving on a maximum of five (5) publicly-listed companies concurrently. As of the date of this Information Statement, all Non-Executive Directors of CLI, including its Independent Directors, are in compliance with the applicable 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.

For the description of the business experience, educational background, and, as applicable, other directorships of the incumbent directors nominated for re-election, namely, Jose R. Soberano III, Ma. Rosario B. Soberano, Jose Franco B. Soberano, Joanna Marie S. Bergundthal, Atty. Ma. Jasmine S. Oporto, Dr. Winston Conrad B. Padojinog, Dr. Eugene S. Acevedo, Rufino Luis T. Manotok, Stephen A. Tan, and Beauregard Grant L. Cheng, please refer to the section of this Information Statement entitled "*Members of the Board of Directors*".

The profile of the new nominee for the CLI Board of Directors is set out below:

Leonardo D. Cuaresma, Jr., [redacted] Filipino, is a nominee for the position of Independent Director on the Board of CLI. He is the former Managing Partner and Chief Operating Officer of Punongbayan & Araullo. He is currently an Independent Director of Dominion Holdings, Inc., a publicly-listed company, and the Founder and Chairman of the Board of Trustees of Leonardo Sr. and Remedios Cuaresma Foundation, Inc. Mr. Cuaresma brings to the Board extensive expertise in corporate governance, audit and risk management, accounting and finance, regulatory compliance, and corporate strategy. He is a Fellow of the Institute of Corporate Directors and has held leadership roles in various professional and governance organizations, including as past Chairman of the Philippine Auditing and Assurance Standards Council, past President of the Association of Certified Public Accountants in Public Practice, and past Council Member of the Philippine Financial Reporting Standards Council. Mr. Cuaresma completed the Wharton Advanced Management Program at the Wharton Business School, University of Pennsylvania, USA. He also holds a Master in Management from the Asian Institute of Management and a Bachelor's Degree in Accountancy from the University of the East. Mr. Cuaresma has received various professional recognitions, including the Accountancy Centenary Award of Excellence from the Philippine Regulatory Board of Accountancy, the Lifetime Achievement Award from the Association of CPAs in Public Practice, and a Plaque of Recognition from the Securities and Exchange Commission for his service as Chairman of the Philippine Auditing and Assurance Standards Council. 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	Nature of Directorship / Position
Dominion Holdings, Inc.	PLC	Independent Director
Leonardo Sr. and Remedios Cuaresma Foundation, Inc.	Non-PLC	Founder and Chairman of the Board

Executive Officers and Key Personnel

The following persons are the key executive officers and other officers[1] of CLI:

Name	Age	Position	Citizenship
Jose R. Soberano III	[redacted]	President and CEO	Filipino
Ma. Rosario B. Soberano		Treasurer and Executive Vice-President	Filipino
Jose Franco B. Soberano		COO and Senior Executive Vice-President	Filipino
Joanna Marie S. Bergundthal		Executive Vice-President for Marketing, HR, Commercial Leasing & Treasurer	Filipino

[1]Officers identified in the latest General Information Sheet of CLI.

Paquita T. Rafols	[redacted]	Chief Financial Officer and First Vice President for Accounting	Filipino
Janella Mae S. Wu		Vice-President for After Sales, Corporate Communications & Premier MArketing	Filipino
Atty. Larri-Nil G. Veloso		Corporate Secretary ad Senior Vice-President - Chief Legal Officer and Strategic Landbanking	Filipino
Atty. John Edmar G. Garde		Assistant Corporate Secretary	Filipino
Atty. Edeline O. Cosicol		Assistant Corporate Secretary	Filipino
Atty. Alen Joel R. Pita		Assistant Corporate Secretary	Filipino
Marie Rose C. Yulo		Senior Vice-President for Sales	Filipino
Engr. Jose Rolando Dimatulac		Vice-President for Engineering	Filipino
Sylvan John M. Monzon		First Vice-President for Business Development	Filipino
Mark Leo M. Chang		Vice-President for Special Projects & External Affairs	Filipino
Atty. James M. Abadia		Vice President for Business Development	Filipino
Julieta M. Pangilinan		First Vice President for Treasury	Filipino
Ronald Allan A. Uy		First Vice President for Property Management	Filipino
Eric Gregor G. Tan		First Vice President for Business Development	Filipino
Atty. Lou Delianne I. Reboja		Compliance Officer	Filipino
Emerito R. Purisima Jr.		Investor Relations Officer	Filipino
Suzette Go		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, [redacted], Filipino, has been with CLI for six (6) years and currently serves as Chief Financial Officer and First Vice President for Accounting, 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 Controllership. 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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, [redacted], 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., [redacted], 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, [redacted], 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.

(ii) **Involvement in Certain Legal Proceedings**

To the best of the Company's knowledge and belief, after due inquiry, and except as disclosed below with respect to Director Ma. Aurora D. Geotina-Garcia, an incumbent Independent Director whose maximum cumulative nine (9)-year term will be completed upon the conclusion of the 2026 Annual Stockholders' Meeting, none of the Company's other incumbent directors, nominees for election as CLI director, executive officers, or controlling persons have, during the five-year period prior to the date of this Information Statement:

1. had any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

2. have been convicted by final judgment in a criminal proceeding, domestic or foreign, or have been subjected to a pending judicial proceeding of a criminal nature, domestic or foreign, excluding traffic violations and other minor offenses;

3. have been the subject of any order, judgment, or decree, not subsequently reversed, suspended, or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending, or otherwise limiting their involvement in any type of business, securities, commodities, or banking activities; or

4. have been found by a domestic or foreign court of competent jurisdiction (in a civil action), the SEC or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and such judgment having not been reversed, suspended, or vacated.

Director Ma. Aurora D. Geotina-Garcia, an incumbent Independent Director whose maximum cumulative nine (9)-year term will be completed upon the conclusion of the 2026 Annual Stockholders' Meeting, is a party in the following legal proceedings which were filed against her in her capacity as a former member of the Board of Directors of the Bases Conversion and Development Authority ("**BCDA**"):

1. *Criminal case for libel which is presently pending with the Supreme Court* – The case involves statements which the BCDA caused to be published in the Philippine Daily Inquirer. At the time of publication, the accused were members of BCDA's Board of Directors, including Ms. Geotina-Garcia. The private complainant, who is the CEO of CJH Development Corporation, contended that by these publications, the accused committed libel.

   The libel case was dismissed by the trial court for insufficiency of evidence of the prosecution, which dismissal was equivalent to an acquittal. Private complainant's Petition for Certiorari, assailing the dismissal of the case, was also dismissed by the Court of Appeals for failure of the petitioner to show grave abuse of the trial court's discretion. The private complainant's motion for reconsideration was denied. The private complainant then filed a Petition for Review on Certiorari dated June 13, 2024 with the Supreme Court seeking a reversal of the Decision dated August 29, 2023 and Resolution dated March 21, 2024 of the Court of Appeals. This is now pending disposition of the Supreme Court for outright dismissal or order respondents to file their comments.

2. *Appeal from the dismissal by the Office of the Ombudsman of criminal charges for acts of the BCDA Board of Directors pending before the Supreme Court* – The case was originally filed with the Office of the Ombudsman, which was subsequently dismissed on January 15, 2016. The appeal before the Supreme Court was dismissed in a Decision dated January 13, 2021. The petitioner filed a Motion for Reconsideration dated February 9, 2022, which is pending resolution.

3. *Appeal from the dismissal by the Office of the Ombudsman of administrative charges for acts of the BCDA Board of Directors pending before the Court of Appeals* – The case was originally filed with the Office of the Ombudsman and was subsequently dismissed. The petitioner appealed to the Court of Appeals but the appeal was also dismissed. The petitioner then filed a Petition for Review before the Supreme Court which subsequently denied the same. It subsequently entered judgment on March 14, 2019.

(iii) **Resignation of Directors**

None of the current set of directors has resigned.

(iv) **Significant Employees**

There is no Non-Executive Officer(s) within the Company that is/are expected to make significant contributions to the business.

(v) **Family Relationships**

The executive officers and members of the Board of Directors of the Company are not related by consanguinity or by affinity among each other, except: Jose R. Soberano III (husband of Ma. Rosario B. Soberano), Ma. Rosario B. Soberano (wife of Jose R. Soberano III), Jose Franco B. Soberano, Janella Mae S. Wu, and Joanna Marie S. Bergundthal (children of Spouses Jose R. Soberano III and Ma. Rosario B. Soberano).

(vi) **Related-Party 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 to related parties, management fees, purchase and sale of real estate properties, contracted services, and real estate sales to key management personnel. 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.

Name of Related Party	**Nature of Relationship**	**Net Receivable (Payable) Balance as of 31 March 2026**	**Other relevant terms (*e.g.*, nature of RPT; repayment terms)**
BL Ventures	Subsidiary; JV	89,793,389.42	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	6,699,783.29	The balance pertains to management fees for administrative and operational services.
YES	Subsidiary; JV	4,766,156.79	
CBLRV	Subsidiary; JV	10,824,717.04	This pertains to management fees for administrative and operational services.
CHDI	Subsidiary; JV	3,737,417.09	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	27,826,302.91	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	(11,245,408.77)	This pertains to management fees for administrative and operational services.
CCLI	Subsidiary; JV	166,565,130.19	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	7,270,733.95	This pertains to management fees for administrative and operational services.
YHEST	Subsidiary; JV	3,245,998.05	This pertains to management fees for administrative and operational services.
SPE	Subsidiary; JV	43,367,325.88	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	2,814,304.36	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.

CLI NUD	Subsidiary; JV	7,744,080.49	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
Total		**₱ 363,460,530.69**	

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.

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 post-employment 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, together with the Compliance Officer, undertakes regular identification, review, and evaluation of the Company's related parties and RPTs, which are submitted to the Board RPT Committee either for information or approval, depending on whether the RPT breaches the RPT threshold set by the Company or is otherwise a Material RPT.

In keeping with CLI's RPT Policy and Transfer Pricing Policy, the Company declares that all its related party transactions (RPTs) in 2025 were conducted on a fair and at arm's length basis and on terms not more favorable than those made to unrelated third parties under similar circumstances.

Pursuant to CLI's RPT Policy, related party transactions involving an amount of at least Php 50,000,000.00 or its equivalent are submitted to the RPT Committee for review and pre-approval. CLI's RPT Committee is tasked to review and ensure that these RPTs are conducted at arms' length basis and on terms not more favorable than those made to unrelated third parties under similar circumstances, and in all cases comply with the provisions under its Transfer Pricing Policy. RPTs approved by the RPT Committee were then endorsed to the CLI Board for subsequent approval and/or ratification.

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 disclosed and discussed accordingly in CLI's FY2025 Audited Financial Statements.

Item 6. Compensation of Directors and Executive Officers

The following table identifies and summarizes the aggregate compensation of the Company's President & CEO and the four (4) most highly compensated executive officers, and all other officers and directors as a group, for the period ended 2025, 2024, 2023, 2022, and 2021.

Names of Officers and Principal Position	Period Ended	Basic Compensation (in ₱)	Other Compensation (in ₱)
A. Chief Executive Officer and Four (4) Most Highly Compensated Executive Officers			
1) Jose R. Soberano III *President and CEO*			
2) Ma. Rosario B. Soberano *Executive Vice-President and Treasurer*			
3) Jose Franco B. Soberano *Senior Executive Vice-President and COO*			

4) Beauregard Grant L. Cheng *Executive Vice-President and CFO*			
5) Joanna Marie B. Soberano-Bergundthal *Executive Vice-President for Marketing, HR, Commercial Leasing, and Asst. Treasurer*			
B. All of the above named officers as a group	2026 (Estimate)	86,403,923.80	37,973,729.41
	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
C. All other directors and officers as a group, excluding the President and four (4) most highly compensated executive officers	2026 (Estimate)	80,798,274.36	42,080,731.50
	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

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 three 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 7. Independent Public Accountants

(a) The principal accountant and external auditor of the Company is Punongbayan & Araullo, and has been recommended by CLI's Audit Committee to remain the external auditor for fiscal year 2026, subject to its formal appointment at the Regular Stockholders Meeting on 5 June 2026.

For the 2025-2026 term, the 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. The Chairperson of the Audit Committee, Director Ma. Aurora D. Geotina-Garcia, is not the Chairman / Chairperson of the CLI Board or of any other committee.

CLI's non-executive directors, including its independent directors, are paid per diem allowances for board and committee meetings attended. For a CLI Board meeting, the non-executive director / independent director is paid a per diem allowance of Php 60,000.00. For a committee meeting attended, the non-executive director / independent director is paid a per diem allowance of Php 40,000.00 (regular) or Php 30,000.00 (special). The other members of the Board who are executives and receiving salaries as such do not get additional per diem or compensation for their attendance in Board and/or committee meetings.

(b) The principal accountant and external auditor of the Company is Punongbayan & Araullo (P&A). Pursuant to CLI's Manual on Corporate Governance, and in compliance with law and pertinent regulations, the external auditor or the signing partner of the external auditing firm assigned to CLI is rotated or changed at least 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 Mr. 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 Ms. Mailene Sigue-Bisnar. Before her, the P&A engagement and signing partner assigned to CLI was Mr. Christopher M. Ferareza, who handled CLI's FY2020, FY2019, and FY2018 financial statements.

Pursuant thereto, CLI is compliant with the requirement of rotation of External Auditor.

(c) A representative of Punongbayan & Araullo is expected to be present at the regular stockholders meeting to respond to appropriate questions or make a statement if he/she desires to do so.

(d) Punongbayan & Araullo has been the principal accountant and external auditor of the Company and its subsidiaries during the four most recent fiscal years. The Company has had no material disagreements with it on any matter pertaining to accounting and financial disclosures.

The table below shows the fees paid by the Company for the services of Punongbayan & Araullo:

	2022	2023	2024	2025
Audit and Audit Related Fees	₱3,310,657.61	₱5,712,000.00	₱6,698,440.00	₱12,558,500.00
Non-audit fees	None	None	₱552,000.00	₱480,000.00
TOTAL	**₱3,310,657.61**	**₱5,712,000.00**	**₱7,250,440.00**	**₱13,038,500.00**

The FY2025 non-audit fees amounting to ₱480,000.00 pertain to the fees paid by CLI to P&A for its review of financial statements for the six-month period ending 30 June 2025 in relation to CLI's Sustainability-Linked Bond Offering in 2025, the final tranche of its ₱15-billion shelf-registration program. There was no non-audit work conducted by P&A in 2023 and 2022.

Item 8. Compensation Plans

There are no matters or actions to be taken up in the Regular Stockholders' Meeting on 5 June 2026 pertaining to any compensation plan pursuant to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

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

There are no matters or actions to be taken in the Regular Stockholders Meeting on 5 June 2026 pertaining to authorization or issuance of securities other than for Exchange.

Item 10. Modification or Exchange of Securities

There are no matters or actions to be taken up in the Regular Stockholders Meeting on 5 June 2026 pertaining to modification or exchange of securities.

Item 11. Mergers, Consolidations, Acquisitions and Similar Matters

There are no matters or actions to be taken up during the Regular Stockholders Meeting on 5 June 2026 pertaining to merger, consolidation, acquisition by sale, or liquidation of the Company.

Item 12. Acquisition or Disposition of Property

There are no matters or actions to be taken up during the Regular Stockholders Meeting on 5 June 2026 pertaining to acquisition or disposition of any property by the Company.

Item 13. Restatement of Accounts

There are no matters or actions to be taken up during the Regular Stockholders Meeting on 5 June 2026 pertaining to restatement of any asset, capital, or surplus account of the Company.

D. OTHER MATTERS

Item 14. Action with Respect to Reports

(a) Approval of the Audited Financial Statements as of December 31, 2025;

(b) Ratification of the acts, resolutions, and proceedings of the Board of Directors, Corporate Officers, and Management during its 2025-2026 term;

(c) Review and Approval of the Minutes of the Previous Annual Stockholders Meeting held on 11 July 2025;

(d) Approval of the Amendment of By-Laws.

Item 15. Matters Not Required to be Submitted

None.

Item 16. Amendment of Charter, Bylaws or Other Documents

An amendment of Articles III, IV, V, and VI of CLI's By-Laws ("By-Laws") will be submitted for the approval of the Company's stockholders during the Regular Meeting on 5 June 2026.

The proposed amendment was approved by the CLI Board during its regular meeting held on 7 April 2026.

Article and Section Nos.	From	To
ARTICLE III, SECTION 1	Section 1. Place of Meetings. All meetings of stockholders shall be held at the principal office of the Corporation, unless written notices of such meetings should fix another place within the same municipality or city where the principal office of the Corporation is located. xxx	Section 1. Place of Meetings. All meetings of stockholders shall be held at the principal office of the Corporation, **or, if not practicable, at such place in the city or municipality where the principal office of the Corporation is located as may be stated in the notice of meeting; Provided, however, that meetings may likewise be conducted through remote communication or other alternative modes of communication, either solely or together with a physical venue, as may be allowed by law and applicable rules and regulations.** xxx
ARTICLE III, SECTION 2	Section 2. Annual Meetings. The annual meeting of the stockholders for the election of directors and for the transaction of such other business as may come before the meeting shall be held on the 1st Friday of July of each year. xxx	Section 2. Annual Meetings. The annual meeting of the stockholders for the election of directors and for the transaction of such other business as may come before the meeting shall be held at the principal office of the Corporation **on the fourth Friday of June of each year** unless such day falls on a holiday, in which case the meeting shall be held on the next following business day. xxx
ARTICLE III, SECTION 4	Section 4. Notice of Meeting. Notice for annual and special meetings of stockholders may be sent by the Secretary or Assistant Secretary by personal delivery or by sending the notice by mail, telegraph, cable, facsimile, electronic mail or other electronic means to each stockholder of record entitled to vote thereat at the address and/or facsimile, telegraph number or electronic mail address last known to the Secretary or Assistant Secretary of the Corporation, at least fifteen (15) days before the date of the meeting. xxx	Section 4. Notice of Meeting. Notice for annual and special meetings of stockholders may be sent by the Secretary or Assistant Secretary by personal delivery or by sending the notice by mail, telegraph, cable, facsimile, electronic mail or other electronic means to each stockholder of record entitled to vote thereat at the address and/or facsimile, telegraph number or electronic mail address last known to the Secretary or Assistant Secretary of the Corporation, at least **twenty-eight (28)** days before the date of the meeting. xxx
ARTICLE III, SECTION 5	Section 5. Quorum. At each Annual or Special Meeting of the stockholders, the holders of a majority of the outstanding capital stock of the Corporation, who are present in person or represented by proxy, shall constitute a quorum for the transaction of business except where otherwise provided by law. If no quorum is constituted, the meeting shall be adjourned until the requisite number of stockholders shall be present. xxx	Section 5. Quorum. At each Annual or Special Meeting of the stockholders, the holders of a majority of the outstanding capital stock of the Corporation, who are present in person or represented by proxy, shall constitute a quorum for the transaction of business except where otherwise provided by law. **Stockholders who participate through remote communication, and stockholders who vote in absentia when the same is authorized for the particular meeting in accordance with law and applicable rules, shall be deemed present for purposes of**

		quorum. xxx
ARTICLE III, SECTION 6	Section 6. Organization of Meeting. At every meeting of the stockholders, the Chairman, or, in his absence, the President, or in the absence of the Chairman and the President, a Chairman chosen by the stockholders present in person or by proxy, shall act as Chairman. The Secretary, or in his absence an Assistant Secretary, shall act as Secretary at all meetings of the stockholders. In the absence from any such meeting of the Secretary and the Assistant Secretaries, the Chairman may appoint any person to act as Secretary of the meeting. xxx	Section 6. Organization of Meeting. At every meeting of the stockholders, the Chairman, or, in his absence, **the Vice-Chairman**, or in the absence of the Chairman and the **Vice-Chairman**, a Chairman chosen by the stockholders present in person or by proxy **or participating through remote communication, if authorized for such meeting**, shall act as Chairman. xxx
ARTICLE III, SECTION 7	Section 7. Manner of Voting. Unless otherwise provided by law, each stockholder shall at every meeting of the stockholders be entitled to one vote, in person or by proxy, for each share held by such stockholders. At all meetings of the stockholders, all elections and all questions, except in cases where hereunder specified or where other provision is made by statute or by the Articles of the Incorporation, shall be decided by the majority vote of the outstanding capital stock of stockholders present in person or by proxy, a quorum being present. xxx	Section 7. Manner of Voting. Unless otherwise provided by law, each stockholder shall at every meeting of the stockholders be entitled to one vote, in person or by proxy, for each share held by such stockholders. At all meetings of the stockholders, all elections and all questions, except in cases where hereunder specified or where other provision is made by statute or by the Articles of the Incorporation, shall be decided by the majority vote of the outstanding capital stock of stockholders present in person or by proxy, a quorum being present. **A stockholder may also participate through remote communication, and may vote in absentia, when authorized for the particular meeting by the Board of Directors and to the extent allowed by law and applicable rules and regulations**. xxx
ARTICLE III, SECTION 8	Section 8. Proxies. xxx A proxy need not be a stockholder, and unless otherwise provided in the proxy, it shall be valid only for the meeting at which it has been presented to the Secretary or Assistant Secretary. All proxies must be in the hands of the Secretary or the Assistant Secretary at least five (5) business days before the time set for the meeting. xxx	Section 8. Proxies. xxx A proxy need not be a stockholder, and unless otherwise provided in the proxy, it shall be valid only for the meeting at which it has been presented to the Secretary or Assistant Secretary. All proxies must be in the hands of the Secretary or the Assistant Secretary at least five (5) business days before the time set for the meeting. **The Board of Directors or the Secretary may adopt reasonable guidelines for the submission, receipt, validation, and recognition of proxies, including electronic submission where allowed by law and applicable rules and regulations.** xxx
ARTICLE IV, SECTION 2	Section 2. Number. Qualifications and Term of Office. Any stockholder having at least one (1) share registered in his name may be elected director. Two (2)	Section 2. Number. Qualifications and Term of Office. Any stockholder having at least one (1) share registered in his name may be elected director. **The**

	of the seven (7) directors provided in the Articles of Incorporation shall be independent directors. Such directors and independent directors shall have such qualifications and none of the disqualifications provided for in the Corporation Code. Securities Regulation Code, the Corporation's Manual on Corporate Governance and other relevant laws and regulations. xxx	**number of directors of the Corporation shall be eleven (11), at least one-third (1/3) of whom shall be independent directors. Directors, including independent directors, shall have such qualifications and none of the disqualifications as may be provided by law, applicable rules and regulations, and the Corporation's Manual on Corporate Governance, as may be amended from time to time.** xxx
ARTICLE IV, SECTION 10	Section 10. Meetings by Teleconference. Videoconference, or Similar Modes. A director may attend a meeting of the Board of Directors by teleconference, videoconference, or through similar modes of modern communication technology. If a director attends a meeting through teleconferencing or video conferencing, such meeting shall be properly recorded with appropriate tapes, discs, and/or other recording material which shall be properly stored for safekeeping, in addition to the secretary of such meeting maintaining written minutes thereof. xxx	Section 10. Meetings by Teleconference. Videoconference, or Similar Modes. A director may attend a meeting of the Board of Directors by teleconference, videoconference, or through similar modes of modern communication technology. If a director attends a meeting through teleconferencing or video conferencing, such meeting shall be properly recorded with appropriate tapes, discs, and/or other recording material which shall be properly stored for safekeeping, in addition to the secretary of such meeting maintaining written minutes thereof. **Participation through such means shall be subject to applicable law, rules and regulations, and such reasonable procedures as the Board of Directors may approve from time to time. A director attending such means shall be deemed present for purposes of quorum and voting.** xxx
ARTICLE IV, SECTION 11	Section 11. Conduct of the Meeting. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or in his absence, by any other director chosen by the Board. The Secretary or Assistant Secretary, shall act as secretary of every meeting, if he is not present, the Chairman of the meeting shall appoint a secretary of the meeting. xxx	Section 11. Conduct of the Meeting. Meetings of the Board of Directors shall be presided over by the Chairman of the Board, or in his absence, **by the Vice-Chairman of the Board, or in the absence of both**, by any other director chosen by the Board. xxx
ARTICLE V, SECTION 1	Section 1. Committees. Subject to the provisions of Section 35 of the Corporation Code, the Board of Directors may, by resolution or resolution passed by majority of the whole board, designate one or more committees which, to the extent provided in said resolution or resolutions, or in these By-Laws, shall have, and may exercise any of the powers of the Board of Directors in the management of the business and affairs of the Corporation. xxx . Each	Section 1. Committees. Subject to the provisions of **Section 34 of the Revised Corporation Code**, the Board of Directors may, by resolution or resolutions passed by majority of the whole board, designate one or more committees which, to the extent provided in said resolution or resolutions, or in these By-Laws, shall have, and may exercise any of the powers of the Board of Directors in the management of the business and affairs of the Corporation. Such committee or committees shall

	committee shall keep regular minutes of its proceedings and report the same to the Board when required. The Board of Directors shall have the power to change the members of any such committee at any time, to fill vacancies and to discharge any such committee either with or without cause. xxx	have such name or names as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its proceedings and report the same to the Board when required. The Board of Directors shall have the power to change the members of any such committee at any time, to fill vacancies and to discharge any such committee either with or without cause. **Without limiting the foregoing, the Corporation shall maintain the following committees: Nominations Committee, Compensation and Benefits Committee, Audit Committee, Corporate Governance Committee, Risk Oversight Committee, Related Party Transactions Committee, and Finance and Investments Committee. The composition, powers, functions, duties, responsibilities, authority, and procedures of each committee shall be as provided in its respective committee charter, as approved and amended by the Board of Directors from time to time. The Board of Directors may, subject to law and applicable rules and regulations, create such other committees and modify the composition, functions, responsibilities, authority, and procedures of any committee as it may deem necessary or proper. Xxx**
ARTICLE V, SECTION 2	Section 2. Audit Committee. The audit committee shall consist of three (3) directors, one of whom shall be an independent director. The audit committee shall have such functions to be determined by the Board of Directors. xxx	Section 2. Audit Committee. The audit committee shall **be maintained by the Corporation. The composition, qualifications, powers, functions, duties, responsibilities, authority, and procedures of the Audit Committee shall be as provided in its committee charter, as approved and amended by the Board of Directors from time to time.** xxx
ARTICLE V, SECTION 3	Article V, Section 3 Nominations Committee. The nomination committee shall consist of three (3) directors, one of whom shall be an independent director. The nomination committee shall have such functions to be determined by the Board of Directors. xxx	Section 3. Nominations Committee. The nomination committee shall **be maintained by the Corporation. The composition, qualifications, powers, functions, duties, responsibilities, authority, and procedures of the Nominations Committee shall be as provided in its committee charter, as approved and amended by the Board of Directors from time to time.** xxx
ARTICLE V, SECTION 4	Section 4. Compensation and Remuneration Committee. The compensation and remuneration	Section 4. Compensation and **Benefits** Committee. The compensation and **benefits** committee shall **be maintained**

	committee shall consist of three (3) directors, one of whom shall be an independent director. The compensation and remunerations committee shall have such functions to be determined by the Board of Directors. xxx	**by the Corporation. The composition, qualifications, powers, functions, duties, responsibilities, authority, and procedures of the Compensation and Benefits Committee shall be as provided in its committee charter, as approved and amended by the Board of Directors from time to time.** xxx
ARTICLE V, SECTION 5	Section 5. Corporate Governance Committee. The corporate governance committee shall consist of three (3) directors, one of whom shall be an independent director. The corporate governance committee shall have such functions to be determined by the Board of Directors. xxx	Section 5. Corporate Governance Committee. The corporate governance committee shall **be maintained by the Corporation. The composition, qualifications, powers, functions, duties, responsibilities, authority, and procedures of the Corporate Governance Committee shall be as provided in its committee charter, as approved and amended by the Board of Directors from time to time.** xxx
ARTICLE VI, SECTION 1	Section 1. Number. The Officers of the Corporation shall consist of a Chairman of the Board, a President, one or more Vice-Presidents, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, a Treasurer and Assistant Treasurer, and a Secretary and Assistant Secretary and such other officers as may from time to time be elected or appointed by the Board of Directors. One person may hold any two compatible offices, provided that no one shall act as President and Secretary or President and Treasurer at the same time. xxx	Section 1. Number. The Officers of the Corporation shall consist of a Chairman of the Board, **a Vice-Chairman of the Board**, a President, one or more Vice-Presidents, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, a Treasurer and Assistant Treasurer, ~~and~~ a Secretary and Assistant Secretary, **a Compliance Officer**, and such other officers as may from time to time be elected or appointed by the Board of Directors. One person may hold any two compatible offices, provided that no one shall act as President and Secretary or President and Treasurer at the same time. xxx
ARTICLE VI, SECTION 2	Section 2. Election. Term of Office and Qualifications. The Chairman of the Board, the President, the Vice-President(s), Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, the Treasurer and Assistant Treasurer and the Secretary and Assistant Secretary shall be elected annually by majority vote of all members of the Board of Directors, each of whom shall hold office for one (1) year and until his successor is elected and qualified in his stead or until he shall have resigned before his term ends or shall have been removed during his term in the manner hereinafter provided. xxx	Section 2 Election. Term of Office and Qualifications. Term of Office and Qualifications. The Chairman of the Board, **the Vice-Chairman of the Board**, the President, the Vice-President(s), Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, the Treasurer and Assistant Treasurer, ~~and~~ the Secretary and Assistant Secretary, **and the Compliance Officer** shall be elected annually by majority vote of all members of the Board of Directors, each of whom shall hold office for one (1) year and until his successor is elected and qualified in his stead or until he shall have resigned before his term ends or shall have been removed during his term in the manner hereinafter provided. xxx
ARTICLE VI, SECTION 6	Section 6. Chairman of the Board of Directors. The Chairman of the Board shall preside at all meetings of the stockholders and of the directors and	Section 6. Chairman **and Vice-Chairman** of the Board of Directors. The Chairman of the Board shall preside at all meetings of the

	shall exercise such other powers and perform such other duties as the Board of Directors may from time to time fix or delegate. xxx	stockholders and of the directors and shall exercise such other powers and perform such other duties as the Board of Directors may from time to time fix or delegate. T**he Vice-Chairman of the Board shall, in the absence or incapacity of the Chairman of the Board, preside at meetings of the stockholders and of the Board of Directors, and shall perform such other duties as may be assigned by the Board of Directors.** xxx
ARTICLE VI, SECTION 7	Section 7. President. The President, who must be a member of the Board of Directors, shall have the following powers and duties: (a) In the absence of the Chairman of the Board, to preside at all meetings of the stockholders and of the Board of Directors; (b) To exercise, subject to the control of the Board of Directors, general supervision and direction of the business and affairs of the Corporation, and implement all resolutions and instructions of the Board: (c) To submit an annual report of the operations of the Corporation to the stockholders at the annual meeting, and to the Board of Directors such statements, reports, memoranda and accounts as the latter may request from time to time; (d) To sign certificates of stocks; (e) To sign, execute and deliver for and in behalf of the Corporation, contract and agreements in the ordinary course of the business of the Corporation, subject to the approval limits as may be authorized by the Board of Directors: and (f) To exercise such other powers and perform such other duties as are incident to his office or which the Board of Directors may from time to time fix or delegate. xxx	Section 7. President. The President, who must be a member of the Board of Directors, shall have the following powers and duties: [Deleted] (a) To exercise, subject to the control of the Board of Directors, general supervision and direction of the business and affairs of the Corporation, and implement all resolutions and instructions of the Board: (b) To submit an annual report of the operations of the Corporation to the stockholders at the annual meeting, and to the Board of Directors such statements, reports, memoranda and accounts as the latter may request from time to time; (c) To sign certificates of stocks; (d) To sign, execute and deliver for and in behalf of the Corporation, contract and agreements in the ordinary course of the business of the Corporation, subject to the approval limits as may be authorized by the Board of Directors: and (e) To exercise such other powers and perform such other duties as are incident to his office or which the Board of Directors may from time to time fix or delegate. xxx

Purpose of Amendment to By-Laws; General Effect

The proposed amendments to the By-Laws of CLI are intended to: (i) codify recommended corporate governance best practices; (ii) update the By-Laws to reflect CLI's current governance framework, established corporate procedures, and operational requirements; and (iii) create the position of Vice-Chairman of the Board to further support Board leadership, continuity, and governance oversight.

The proposed amendments will generally have the effect of aligning the By-Laws with CLI's current governance and operating framework, clarifying relevant Board and corporate procedures, and formally recognizing the office of Vice-Chairman as part of the Corporation's Board leadership structure.

Item 17. Other Proposed Action

None.

Item 18. Voting Procedures

(a) Vote required

In accordance with Section 7, Article III of CLI's By-laws, as amended, any matter, question, or election submitted to a vote during stockholders meeting, except in cases where specified in the By-laws or where other provision is made by statute or in the Articles of Incorporation, in order to be carried, shall require the majority vote (50% plus 1) of the outstanding capital stock of stockholders present in person or by proxy, a quorum being present.

Based on the foregoing, and pursuant to Section 47 of the RCC, the proposed amendment of the By-Laws shall require the affirmative vote of stockholders representing at least a majority of the outstanding capital stock of the Company entitled to vote, present in person or by proxy.

All other items in the Agenda shall also require the affirmative vote of a majority of the outstanding capital stock of the Company entitled to vote, present in person or by proxy.

(b) Manner of Voting

In all items for approval during the Regular Stockholders' Meeting, each holder of common shares is entitled to one (1) vote for every outstanding common share.

Pursuant to Section 56 of the RCC, treasury shares shall have no voting right as long as they remain in the treasury. The Series "A" Preferred Shares have no voting rights except as specifically provided under the RCC. Hence, the holders and/or beneficial owners of Series "A" Preferred Shares are not eligible or entitled to vote for and elect the CLI Directors and/or vote for other agenda items in the Regular Stockholders Meeting.

The Company sets no condition precedent for the exercise of one voting method over the other since these options are provided for by law.

Proxies shall be in writing, signed, and filed by the stockholder in any form authorized by CLI's By-laws and received by the Office of the Corporate Secretary within a reasonable time before the scheduled meeting. Unless otherwise provided in the proxy form, it shall be valid only for the meeting for which it is intended. No proxy shall be valid and effective for a period longer than five (5) years at any one time.

As of this publication, voting through remote communication or in absentia is not yet authorized in the Company's By-laws or by the majority of the Board of Directors. However, stockholders or their proxies who wish to join this Regular Stockholders' Meeting remotely can send their ballots or proxy forms, where they can indicate their votes on every agenda item, to the Corporate Secretary on or before 27 May 2026 so that such votes can be counted prior to the meeting. A copy of the ballots and proxy forms are attached herewith as Annexures "B", "C", and "D".

(c) Method of Counting Votes

The accounting firm of Sta. Ana Rivera & Co. shall be responsible for the counting of votes and tabulation of results based on the number of shares entitled to vote owned by the stockholders who submitted their ballots or proxy forms on or before 27 May 2026 to CLI's Office of the Corporate Secretary.

All votes received shall be tabulated by Sta. Ana Rivera & Co., with the assistance of CLI's Office of the Corporate Secretary and CLI's stock transfer agent. The Corporate Secretary shall report the partial results of voting during the meeting. The actual voting results shall be reflected in the minutes of the meeting.

(d) Items for Approval by Stockholders in the Regular Meeting

A copy of the Agenda enumerating the items for approval by stockholders at the Regular Stockholders' Meeting is attached herewith and made integral hereof as Annex "A".

Further thereto, and for the guidance of the stockholders in the proper exercise of their voting rights, the explanation and rationale for the items in the Agenda are set out below.

Explanation and Rationale of Agenda Items .

1. Registration

CLI stockholders and proxy holders will register before the start of the meeting to confirm their attendance. This is an administrative step to facilitate the orderly conduct of the meeting and the proper determination and record-keeping of the CLI stockholders present or represented by proxy.

2. Opening Prayer

The meeting will begin with a brief invocation to be led by Director Stephen A. Tan.

3. Call to Order

The Chairman will formally call the meeting to order and commence the transaction of business.

4. Certification of Notice and Quorum

The Corporate Secretary will certify that Notice of Meeting was duly given to CLI stockholders entitled to receive the same and that a quorum exists for the valid transaction of business. This certification confirms that the meeting may properly proceed and that the CLI stockholders may validly act on matters submitted for approval.

5. Review and Approval of the Minutes of the Previous Annual Stockholders' Meeting held on 11 July 2025

The Minutes of the previous Annual Stockholders' Meeting held on 11 July 2025 will be submitted to the stockholders for approval as an accurate record of the proceedings, matters discussed, and actions taken during the said meeting.

6. Chief Financial Officer's Report

CLI's Chief Financial Officer, Ms. Paquita T. Rafols, will present the Company's financial performance for Fiscal Year 2025, including key financial results and other matters relevant to its financial condition.

7. Chief Operating Officer's Report

CLI's Chief Operating Officer, Mr. Jose Franco B. Soberano, will present the Company's operational milestones, project developments, and strategic initiatives during the past year.

8. Chairman's Report

CLI's Chairman of the Board, Mr. Jose R. Soberano III, will present the Company's strategic direction, governance matters, and industry outlook from the perspective of the Board of Directors.

9. Approval of the 2025 Audited Financial Statements

CLI's Audited Financial Statements for the fiscal year ended 31 December 2025 will be presented to the stockholders for review and ratification/approval. The financial statements reflect CLI's financial position, results of operations, and other financial disclosures for Fiscal Year 2025, as audited by the Company's independent external auditor, Punongbayan & Araullo.

10. Appointment of CLI's External Auditor for Fiscal Year 2026

The appointment of CLI's independent external auditor for Fiscal Year 2026 will be submitted to the stockholders for approval. The appointment is intended to ensure the independent audit of CLI's financial statements and to support the reliability, integrity, and transparency of CLI's financial reporting.

11. Review and Approval of Audit Fees for Fiscal Year 2026

The proposed audit fees for Fiscal Year 2026 will be presented to the stockholders for review and approval. This agenda item is intended to inform CLI stockholders of the professional fees payable to the external auditor for the audit of the Company's financial statements for the Fiscal Year ended 31 December 2026.

12. Election of the Members of the Board of Directors

Stockholders will elect the members of the CLI Board of Directors for the 2026-2027 term among the nominees endorsed by the Nominations Committee. The election allows CLI stockholders to exercise their right to determine the individual members who will provide strategic direction, governance oversight, and policy guidance for the Company. Information on the nominees, including their qualifications and relevant experience, is provided in this Information Statement.

13. Ratification of the Acts, Resolutions, and Proceedings of the Board of Directors, Corporate Officers, and Management from 11 July 2025 to 5 June 2026

The major acts, resolutions, and proceedings of the Board of Directors, Corporate Officers, and Management during the period from 11 July 2025 to 5 June 2026 will be submitted to the stockholders for ratification. These pertain to acts and matters approved by the Board or Management within their respective authority, and matters reflected in the Company's reports, disclosures, or corporate records. Ratification is sought as a matter of good corporate governance and to confirm stockholders' support for CLI's major corporate actions during the covered period.

14. Proposed Amendments to CLI's By-Laws

The proposed amendments to CLI's By-Laws will be submitted to the stockholders for review and approval. The proposed amendments are intended to: (i) codify recommended corporate governance best practices; (ii) update the By-Laws to reflect CLI's current governance framework and established corporate procedures; and (iii) create the position of Vice-Chairman of the Board to further support Board leadership, continuity, and governance oversight. The specific proposed amendments are discussed in further detail in the separate section of this Information Statement entitled "Item 16. Amendment of Charter, Bylaws or Other Documents."

15. Other Matters / Q&A

Stockholders will be given the opportunity to raise questions, seek clarification, or present such other matters as may be properly brought before the meeting, subject to applicable laws and regulations. This agenda item is intended to provide stockholders with an opportunity to participate in the meeting and engage with the CLI Board and Management and matters relevant to the Company.

16. Adjournment

After all matters in the Agenda have been taken up and discussed, the Chairman will formally adjourn and close CLI's 2026 Annual Stockholders' Meeting.

PART II.
INFORMATION REQUIRED IN A PROXY FORM

Item 1. Identification

The Company is not soliciting any advanced votes by proxy on all matters intended for approval by stockholders at the Regular Stockholders Meeting on 5 June 2026. Please refer to Annex "A" for the items requiring such approval.

Item 2. Instruction

Pursuant to Section 7, Article III of the CLI By-laws, any security holder who cannot be physically present but entitled to vote at the Regular Stockholders' Meeting on 5 June 2026 may be represented by proxy who may vote his/her shares on any matter intended for approval by stockholders. Copies of the prescribed proxies for individual and corporate stockholders are attached herewith and made integral hereof as Annexures "B" and "C". Proxy forms sent in substantially the same form as the foregoing annexures are valid subject to validation by the Corporate Secretary or his assistant. The decision of the Corporate Secretary or his assistant on the validity of any proxy form shall be final and binding until set aside by a court of competent jurisdiction in keeping with paragraph 2, Section 8, Article III of the CLI By-laws.

All proxy forms must be delivered by post or email to the address below on or before 27 May 2026, which is likewise the date set for its verification:

Atty. Larri-Nil G. Veloso
Corporate Secretary
10th Floor, Park Centrale Tower,
Jose Ma. del Mar St., Cebu I.T. Park,
Brgy. Apas, Cebu City, Philippines
E-mail: corporate.secretary@cebulandmasters.com
Phone: +6332 231 4870 loc. 128

If delivered by email, kindly use the following addresses:

corporate.secretary@cebulandmasters.com

Please refer to Item 18(b) above for the mechanics on how votes will be taken either in person or by proxy at the Regular Stockholders' Meeting on 5 June 2026.

Item 3. Revocability of Proxy

Pursuant to Section 8, Article III of the CLI By-laws, proxy forms are considered valid only for the meeting at which it has been presented to the Corporate Secretary or his assistant, unless otherwise provided, which shall in no case be valid and effective for a period longer than five years from the date of the proxy in keeping with the provision of SRC Rule 20.

Proxy forms filed may still be revoked by the stockholders either by an instrument in writing duly presented and recorded with the Corporate Secretary or his assistant prior to the scheduled meeting or by their personal presence on 5 June 2026.

Item 4. Persons Making the Solicitation

Not applicable for this Regular Stockholders' Meeting.

Item 5. Interest of Certain Persons in Matters to be Acted Upon

(a) Solicitations Not Subject to paragraph *(8)* of SRC Rule 20

Not applicable. There are no solicitations of this nature during the Regular Stockholders' Meeting on 5 June 2026.

(b) Solicitations Subject to paragraph *(8)* of SRC Rule 20

Not applicable. There are no solicitations of this nature during the Regular Stockholders' Meeting on 5 June 2026.

PART III.
SIGNATURE PAGE

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this report are true, complete, and correct. This report is signed in the City of Cebu on MAY 13, 2026.

By:

[redacted]

ATTY. LARRI NIL G. VELOSO
Corporate Secretary

ANNEX "A"

CEBULANDMASTERS
We Build with You in Mind

AGENDA FOR THE 2026 ANNUAL STOCKHOLDERS MEETING

5 June 2026 (Friday) | 9:30 a.m.–12:00 p.m.
Radisson Red Cebu (The Studio)
Astra Centre, A.S. Fortuna Street, Mandaue City

9:00–9:30 a.m.	**Registration**	Secretariat
9:30–9:33 a.m.	**Opening Prayer**	Dir. Stephen A. Tan
9:33–9:34 a.m.	**Call to Order**	Chairman Jose R. Soberano III
9:34–9:36 a.m.	**Certification of Notice and Quorum**	Corporate Secretary
9:36–9:45 a.m.	**Review and Approval of the Minutes of Previous Annual Stockholders Meeting held on 11 July 2025**	Stockholders
9:45–10:10 a.m.	**Chief Financial Officer's Report**	CFO Paquita T. Rafols
10:10–10:30 a.m.	**Chief Operating Officer's Report**	COO Jose Franco B. Soberano
10:30–10:50 a.m.	**Chairman's Report**	Chairman Jose R. Soberano III
10:50–11:00 a.m.	**Approval of the 2025 Audited Financial Statements**	CFO Paquita T. Rafols
11:00–11:10 a.m.	**Appointment of the Corporation's External Auditor for Fiscal Year 2026**	CFO Paquita T. Rafols
11:10–11:20 a.m.	**Review and Approval of Audit Fees for Fiscal Year 2026**	CFO Paquita T. Rafols
11:20–11:30 a.m.	**Election of the Members of the Board of Directors**	Dir. Rufino Luis T. Manotok
11:30–11:40 a.m.	**Ratification of the Acts, Resolutions, and Proceedings of the Board of Directors and Management from 11 July 2025 to 5 June 2026**	Corporate Secretary
11:40–11:50 a.m.	**Proposed Amendments to the CLI By-Laws**	Corporate Secretary
11:50–11:59 a.m.	**Other Matters** **Q&A**	Chairman / Stockholders
12:00 p.m.	**Adjournment**	Chairman

ANNEX "B"

PROXY FORM
(for Individual Stockholder)

I/We, _____, Filipino/s, of legal age, (single / married / widow), and a resident of _____, do hereby constitute and appoint _____, who is also of legal age, Filipino, (single / married / widow), and a resident of _____, to represent me/us and vote _____ (_____) of my/our shares of the capital stock appearing in my/our name/s at the Annual Stockholders' Meeting of Cebu Landmasters, Inc. to be held on 05 June 2026.

In the absence of my/our above proxy, please count my/our votes for the following items in the Agenda:

1. Review and Approval of the Minutes of Previous Annual Stockholders' Meeting held on 11 July 2025

   ☐ Yes ☐ No ☐ Abstain

2. Chief Financial Officer's Report

   ☐ Yes ☐ No ☐ Abstain

3. Chief Operating Officer's Report

   ☐ Yes ☐ No ☐ Abstain

4. Chairman's Report

   ☐ Yes ☐ No ☐ Abstain

5. Approval of the 2025 Audited Financial Statements

   ☐ Yes ☐ No ☐ Abstain

6. Appointment of the Corporation's External Auditor for Fiscal Year 2026

   ☐ Yes ☐ No ☐ Abstain

7. Review and Approval of Audit Fees for Fiscal Year 2026

   ☐ Yes ☐ No ☐ Abstain

8. Election of the Members of the Board of Directors

   ☐ Equally to all eleven (11) nominees for directors;
   ☐ Abstain for all eleven (11) nominees for directors;
   ☐ Distribute or cumulate my shares to the nominee/s, as follows: *(Indicate the number of shares to be voted for each nominee in the table below:*

NAME OF NOMINEES	NO. OF SHARES		
	YES	NO	ABSTAIN
Jose R. Soberano III			
Ma. Rosario B. Soberano			
Jose Franco B. Soberano			
Joanna Marie S. Bergundthal			
Atty. Ma. Jasmine S. Oporto *(Independent Director)*			

Dr. Winston Conrad B. Padojinog *(Independent Director)*			
Dr. Eugene S. Acevedo *(Independent Director)*			
Rufino Luis T. Manotok *(Non-Executive Director)*			
Stephen A. Tan *(Non-Executive Director)*			
Beauregard Grant L. Cheng *(Non-Executive Director)*			
Leonardo D. Cuaresma, Jr. *(Independent Director)*			
TOTAL			

9. Ratification of the Acts, Resolutions, and Proceedings of the Board of Directors and Management from 11 July 2025 up to 5 June 2026

☐ Yes ☐ No ☐ Abstain

10. Proposed Amendments to the CLI By-Laws

☐ Yes ☐ No ☐ Abstain

11. Other Matters

☐ Yes ☐ No ☐ Abstain

IN WITNESS WHEREOF, I/We have hereunto set my/our hand/s this _____ at the City of _____, Philippines.

_____
STOCKHOLDER/S

Accepted by:

_____
Name of Proxy

ACKNOWLEDGMENT

BEFORE ME, a notary public for and in the City/Province of _____, this _____ personally appeared the abovenamed parties with their government-issued IDs to wit:

Stockholder _____ Valid Until: _____
Stockholder _____ Valid Until: _____
Proxy _____ Valid Until: _____

and by virtue thereof I sufficiently identified them to be the same persons who signed the above *Proxy Form*, consisting of two (2) pages including this *Acknowledgment* page, and they declared and acknowledged to me that they signed the said instrument for the purposes stated therein and that the same is their free and voluntary act and deed.

Witness my hand and seal on the date and place abovementioned.

Doc. No. : _____;
Page No.: _____;
Book No.: _____;
Series of 2026.

<u>REMINDER:</u> THIS PROXY FORM MUST BE RECEIVED BY THE CORPORATE SECRETARY OR HIS ASSISTANT ON OR BEFORE 27 MAY 2026 FOR ANY VOTES CONTAINED HEREIN TO BE COUNTED DURING THE REGULAR STOCKHOLDERS MEETING.

ANNEX "C"

PROXY FORM
(for Corporate Stockholder)

I, _____, Filipino, of legal age, with office address at _____, after being duly sworn in accordance with law, do hereby depose and state THAT:

1. I am the duly elected and incumbent Corporate Secretary of _____ (the "Corporation"), a domestic corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines with principal address at _____;

2. According to corporate records, at the regular/special meeting of the Board of Directors of the Corporation held on _____, with prior notice given to all directors and duly called for the purpose at which a quorum was present, the following resolutions were duly approved:

"BE IT RESOLVED, as it is hereby RESOLVED –

1. That the Board authorize _____, to be the Corporation's authorized proxy to attend all meetings of the stockholders of Cebu Landmasters, Inc., whether regular or special, with full authority to vote the shares of the Corporation and to act upon all matters and resolutions that may come before or presented during the said meetings, in the name, place and stead of the Corporation;

2. RESOLVED FURTHER, that in the absence of the above authorized officer of the Corporation during the actual stockholders of Cebu Landmasters, Inc., the following shares of the Corporation shall be voted and counted for the following items in the Agenda:

   3. Review and Approval of the Minutes of Previous Annual Stockholders' Meeting held on 11 July 2025

      ☐ Yes ☐ No ☐ Abstain

   4. Chief Financial Officer's Report

      ☐ Yes ☐ No ☐ Abstain

   5. Chief Operating Officer's Report

      ☐ Yes ☐ No ☐ Abstain

   6. Chairman's Report

      ☐ Yes ☐ No ☐ Abstain

   7. Approval of the 2025 Audited Financial Statements

      ☐ Yes ☐ No ☐ Abstain

   8. Appointment of the Corporation's External Auditor for Fiscal Year 2026

      ☐ Yes ☐ No ☐ Abstain

   9. Review and Approval of Audit Fees for Fiscal Year 2026

      ☐ Yes ☐ No ☐ Abstain

   10. Election of the Members of the Board of Directors

      ☐ Equally to all eleven (11) nominees for directors;
      ☐ Abstain for all eleven (11) nominees for directors;
      ☐ Distribute or cumulate my shares to the nominee/s, as follows: *(Indicate the number of shares to be voted for each nominee in the table below:*

NAME OF NOMINEES	NO. OF SHARES

	YES	NO	ABSTAIN
Jose R. Soberano III			
Ma. Rosario B. Soberano			
Jose Franco B. Soberano			
Joanna Marie S. Bergundthal			
Atty. Ma. Jasmine S. Oporto *(Independent Director)*			
Dr. Winston Conrad B. Padojinog *(Independent Director)*			
Dr. Eugene S. Acevedo *(Independent Director)*			
Rufino Luis T. Manotok *(Non-Executive Director)*			
Stephen A. Tan *(Non-Executive Director)*			
Beauregard Grant L. Cheng *(Non-Executive Director)*			
Leonardo D. Cuaresma, Jr. *(Independent Director)*			
TOTAL			

11. Ratification of the Acts, Resolutions and Proceedings of the Board of Directors and Management from 11 July 2025 up to 5 June 2026

    ☐ Yes ☐ No ☐ Abstain

12. Proposed Amendments to the CLI By-Laws

    ☐ Yes ☐ No ☐ Abstain

13. Other Matters

    ☐ Yes ☐ No ☐ Abstain

14. I attest to the truth of the foregoing and issue this certification for whatever legal purpose it may serve.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ in _____, Philippines.

_____
Corporate Secretary

SUBSCRIBED AND SWORN to before me this _____ at _____, Philippines, abovenamed Affiant who presented to me his/her government-issued ID: _____ and by virtue thereof I sufficiently identified him/her to be the same person who signed the foregoing *Proxy Form* in my presence and swore as to said document that he/she understood the contents thereof and that the same is his/her free and voluntary act and deed as well as the corporation represented therein.

Witness my hand and seal on the date and place abovementioned.

Doc. No. : _____;

Page No.: _____;
Book No.: _____;
Series of 2026.

REMINDER: THIS PROXY FORM MUST BE RECEIVED BY THE CORPORATE SECRETARY OR HIS ASSISTANT ON OR BEFORE 27 MAY 2026 FOR ANY VOTES CONTAINED HEREIN TO BE COUNTED DURING THE REGULAR STOCKHOLDERS' MEETING.

ANNEX "D"

BALLOT

Name : _____
Principal's Name : _____ *(if proxy)*
Number of Shares : _____ *(to be verified by CLI)*

Agenda Items for Approval by Stockholder

1. Review and Approval of the Minutes of Previous Annual Stockholders' Meeting held on 11 July 2025

   ☐ Yes ☐ No ☐ Abstain

2. Chief Financial Officer's Report

   ☐ Yes ☐ No ☐ Abstain

3. Chief Operating Officer's Report

   ☐ Yes ☐ No ☐ Abstain

4. Chairman's Report

   ☐ Yes ☐ No ☐ Abstain

5. Approval of the 2025 Audited Financial Statements

   ☐ Yes ☐ No ☐ Abstain

6. Appointment of the Corporation's External Auditor for Fiscal Year 2026

   ☐ Yes ☐ No ☐ Abstain

7. Review and Approval of Audit Fees for Fiscal Year 2026

   ☐ Yes ☐ No ☐ Abstain

8. Election of the Members of the Board of Directors

   ☐ Equally to all eleven (11) nominees for directors;
   ☐ Abstain for all eleven (11) nominees for directors;
   ☐ Distribute or cumulate my shares to the nominee/s, as follows: *(Indicate the number of shares to be voted for each nominee in the table below:*

NAME OF NOMINEES	NO. OF SHARES		
	YES	NO	ABSTAIN
Jose R. Soberano III			
Ma. Rosario B. Soberano			
Jose Franco B. Soberano			
Joanna Marie S. Bergundthal			
Atty. Ma. Jasmine S. Oporto *(Independent Director)*			
Dr. Winston Conrad B. Padojinog *(Independent Director)*			
Dr. Eugene S. Acevedo *(Independent Director)*			

Rufino Luis T. Manotok *(Non-Executive Director)*			
Stephen A. Tan *(Non-Executive Director)*			
Beauregard Grant L. Cheng *(Non-Executive Director)*			
Leonardo D. Cuaresma, Jr. *(Independent Director)*			
TOTAL			

9. Ratification of the Acts, Resolutions, and Proceedings of the Board of Directors and Management from 11 July 2025 up to 5 June 2026

☐ Yes ☐ No ☐ Abstain

10. Proposed Amendment to the CLI By-Laws

☐ Yes ☐ No ☐ Abstain

11. Other Matters

☐ Yes ☐ No ☐ Abstain

_____

Stockholder's signature

CEBULANDMASTERS
We Build with You in Mind

2026 ANNUAL STOCKHOLDERS MEETING

NOTICE OF MEETING

Dear CLI Stockholders,

Please be notified that **CEBU LANDMASTERS, INC. ("CLI")** will hold its 2026 Annual Stockholders Meeting on 5 June 2026, Friday, at 9:30 a.m. The meeting will be conducted in hybrid format, with stockholders having the option to attend in person at Radisson Red Cebu, Astra Centre, A.S. Fortuna St., Mandaue City, Cebu, Philippines, or participate remotely through teleconferencing and/or videoconferencing.

The meeting is called for the purpose of considering and acting upon the following matters:

1. Call to Order;
2. Certification of Notice and Quorum;
3. Review and Approval of the Minutes of the Previous Annual Stockholders Meeting held on 11 July 2025;
4. Chief Financial Officer's Report;
5. Chief Operating Officer's Report
6. Chairman's Report
7. Approval of the 2025 Audited Financial Statements;
8. Appointment of CLI's External Auditor for Fiscal Year 2026;
9. Review and Approval of Audit Fees for Fiscal Year 2026;
10. Election of the Members of the Board of Directors;
11. Ratification of the Acts, Resolutions, and Proceedings of the Board of Directors and Management from 11 July 2025 to 5 June 2026;
12. Proposed Amendments to the CLI By-Laws;
13. Other Matters / Q&A; and
14. Adjournment.

The complete details of the agenda items, including the rationale and explanation thereof, are set out in the Information Statement. Copies of the Information Statements, Agenda, Proxy Forms, Ballot, and other related materials for the meeting may be downloaded from CLI's website at:
https://cebulandmasters.com/investor-relations/stockholders-meeting

If you intend to join, please ensure you remain a CLI stockholder of record as of 23 April 2026, the record date for the meeting. Also, on this day, you may start sending your proxy forms and ballots to the Secretariat, until 27 May 2026, the deadline for the validation.

Validated stockholders and proxy holders who will participate remotely will be sent the relevant Zoom log-in details and/or dial-in numbers for this meeting after completion of the validation process. Stockholders may send their proxy forms, ballots, documents, and/or inquiries to the Office of the Corporate Secretary at corporate.secretary@cebulandmasters.com or at my office address below.

The meeting will be recorded in accordance with applicable rules and regulations.

Sincerely,

[redacted]

Atty. LARRI-NIL G. VELOSO
Corporate Secretary
10th Floor, Park Centrale Tower,
Jose Ma. del Mar St., Cebu I.T. Park,
Brgy. Apas, Cebu City, Philippines
E-mail: larri_nil@cebulandmasters.com
Phone: +6332 231.4914 loc. 128

ANNEX “F”

MANAGEMENT REPORT

Management’s Discussion, Analysis and Plan of Operation

COMPANY MILESTONES

During the initial quarter of 2026, CLI, in partnership with the Archdiocese of Cebu, officially opened Patria de Cebu, a 21,000-square meter mixed-use heritage development strategically located within Cebu’s historic district. The project integrates retail, office, and hospitality components while preserving the site’s cultural significance through a Filipino-Spanish inspired architectural design. Ahead of the Sinulog festivities, Patria de Cebu commenced operations with the opening of several retail, food and beverage, wellness, and essential service tenants, further contributing to the revitalization of Cebu’s downtown commercial corridor.

CLI likewise reinforced its commitment to sustainable urban development through its partnership with Xavier University for the construction of the Php120-million Manresa Access Road in Cagayan de Oro City. Fully funded by CLI, the infrastructure project is expected to improve connectivity between Uptown and Downtown Cagayan de Oro and support the long-term development of Manresa Town, the Company’s 14.6-hectare university township seamlessly connected to Xavier University’s Masterson Campus. Scheduled for completion by the fourth quarter of 2027, the project underscores CLI’s strategy of integrating infrastructure support within its township developments.

In line with its Luzon expansion strategy, CLI secured an approximately 70-hectare property in Dasmariñas, Cavite, earmarked for the Company’s flagship township development in Luzon. The master-planned estate is envisioned to deliver approximately 6,000 residential units alongside commercial, institutional, and estate components in multiple phases. Initial launches are targeted between 2027 and 2028, further expanding CLI’s geographic footprint beyond the Visayas and Mindanao regions.

Meanwhile, CLI Hotels and Resorts expanded the Company’s hospitality portfolio with the opening of Radisson RED Cebu Mandaue, the first Radisson RED hotel in the Philippines. The Php1.99-billion development features 144 hotel keys, contemporary dining concepts, lifestyle amenities, and flexible event spaces. The opening marks CLI’s fifth operational hotel and further strengthens the Company’s recurring income base, complementing its core residential business while supporting the continued growth of tourism and business activity in Cebu.

As of March 31, 2026, Cebu Landmasters, Inc. (“CLI”) recorded consolidated revenues of PHP 5.98 billion, representing a 20% increase year-on-year. The growth was primarily driven by the 21% increase in real estate sales to ₱5.78 billion from ₱4.79 billion, excluding lot sales which were reclassified to other income following the applicable regulatory ruling. The increase in real estate revenues was supported by sustained construction progress across existing projects and the continued recognition of sold units during the period. Parent net income after tax reached PHP 880.85 million, supported by reservation sales of PHP 4.58 billion and a strong 92% sell-out rate across the Company’s residential developments.

The Company’s recurring income businesses likewise posted steady growth during the quarter, with hospitality revenues increasing by 14% amid improving tourism activity and the contribution of newly opened hotel properties, while leasing revenues also grew by 14% driven by higher occupancy and the expansion of the leasing portfolio.

CLI further strengthened its financial position, with net debt-to-equity ratio improving to 1.59x as of March 31, 2026. Total assets stood at PHP 139.67 billion at period-end, reflecting the continued expansion of the Company’s development and investment portfolio.

REVIEW ON THE COMPANY'S RESULTS OF OPERATION

January 1 to March 1, 2026 vs January 1 to March 31, 2025

Cebu Landmasters Inc. demonstrated a steady performance in the first quarter of 2026, with consolidated revenue increasing by 20% to reach ₱6.506 billion from ₱4.97 billion in the same period last year. This growth was driven by expansion across all business segments, highlighting robust market demand. Consequently, the company achieved -12% in net income to parent, from ₱995.37 million to ₱880.85 million.

REVENUES

Real estate sales

Real estate sales recorded a 21% year-over-year increase in revenue to ₱5.78 billion from ₱4.79 billion, excluding lot sales which were reclassified to other income following the applicable regulatory ruling. A key contributor to this growth is supported by steady construction progress and the recognition of additional units.

In terms of location, Cebu still is the strongest contributor of revenue which accounted for 50% of its overall figure. Mindanao and Visayas (ex-Cebu) contributed 29% and 18%, respectively. The increase in share in revenue outside Cebu were driven by new projects such as Velmiro Heights Davao, 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 ₱1.65 billion, reflecting an increase of 144% year-on-year from ₱675 million. This increase can be attributed to significant revenue qualifications from Costa Mira Beachtown Panglao.

Garden Series (Mid-market), posted a revenue of ₱2.07 billion from ₱2.44 billion reflecting a decrease of 15%. This decrease can be attributed to significant revenue qualifications in the previous year related to Velmiro Heights Davao and Mindara Residences.

.

Casa Mira Series (Economic market) generated revenue from ₱1.59 billion to ₱1.99 billion. The 25% growth was driven by Casa Mira Homes Gen San.

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

Leasing

The company posted strong growth in rental revenues, reaching ₱60.15 million, up 14% from ₱50.73 million in the same period last year. The increase was driven by higher occupancy from completed commercial projects, the entry of new retail tenants, and the continued expansion of CLI's leasing portfolio.

CLI has substantially expanded its Gross Leasable Area (GLA) by 76% to 71,241 square meters from 40,575 square meters last year, supported by the completion and turnover of Banilad Highstreet and the Drive-Thru spaces in Davao Global Township, both of which achieved full lease occupancy. Additional contributions came from the DGT Pavilion, DGT Retail Pads, expansions in DGT City Center, LPU Town Center, and Paragon Lifestyle Mall, as well as the opening and tenant take-up of Astra Mall, which is expected to further strengthen recurring rental revenues moving forward.

Additional recurring income contributions are likewise expected from Patria de Cebu, CLI's heritage-inspired mixed-use development in downtown Cebu developed in partnership with the Archdiocese of Cebu. The project has started welcoming retail tenants and commercial establishments following its opening earlier this year.

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 Company continued to expand its hospitality portfolio during the period in line with its strategy to strengthen recurring income streams and capitalize on the growing tourism and hospitality market in VisMin. Reinforcing this strategy, CLI Hotels and Resorts recently opened Radisson RED Cebu Mandaue, a Php1.99 billion development and the first Radisson RED hotel in the Philippines. The 144-key full-service hotel offers five room categories, dining concepts, lifestyle amenities, and flexible event spaces, further enhancing the Company's presence in the hospitality sector and introducing the internationally recognized Radisson RED brand to Cebu.

The Company likewise expanded its footprint outside Cebu City through the opening of the 200-room Citadines Bacolod City, currently the largest international hotel in Bacolod. Following these openings, CLI's operational hospitality portfolio increased to five properties, consisting of Citadines Cebu City, lyf Cebu City at Base Line Center, The Pad Co-Living in Banilad High Street, Radisson RED Cebu Mandaue, and Citadines Bacolod City.

Driven by improving tourism activity and the contribution of newly opened properties, hotel revenues increased by 14% to ₱119.30 million from ₱104.57 million in the same period last year. The Company also continues to expand its hospitality pipeline with the upcoming completion of the 263-room Citadines Paragon Davao by the end of 2025 and six additional hotel developments currently under construction, supporting the Company's long-term recurring income growth strategy

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 CLI Property Management (CLIPMI) services provided to CLI's completed projects. During the year, the parent company's project management revenue reached ₱30.85 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 for the three months ending March 31, 2026, was reported at ₱2.93 billion, 13% year-over-year increase from ₱2.59 billion of the same period last year.

Operating Expenses

Total operating expenses during the period amounted to ₱1.07 billion, a 4% y-o-y increase from ₱1.03 billion of the same period in 2025.

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

(a) Series A with a tenor of 3.5 years with a fixed rate of 6.4222%
(b) Series B with a tenor of 5.5 years with a fixed rate of 6.9884%
(c) 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:

(d) Series D – maturity of 3 years and a coupon rate of 6.6348%; and,
(e) Series E – maturity of 5 years and a coupon rate of 6.9157%.

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:

(f) Series D – maturity of 3 years and a coupon rate of 6.6348%; and,
(g) 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:

1. Series F – maturity of 7 years; coupon rate of 6.9532% & 6.8727 %
2. 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.

NIAT ATTRIBUTABLE TO NON-CONTROLLING INTEREST (NCI)

For the period ending March 31, 2026, NIAT attributable to NCI saw a decrease from ₱146 million in Q1 2026 from ₱329 million. This decrease is due to lower income contribution from completing JV projects.

REVIEW ON THE COMPANY'S FINANCIAL CONDITION
As of March 31, 2026, vs December 31, 2025

CLI's balance sheet remains steady and healthy to support construction and expansion plans. As of March 31, 2026, CLI reported total assets of ₱139.67 billion, an increase of 4% from ₱134.16 billion as of December 31, 2025 driven by progress in construction from sold units.

ASSETS

26% increase in Cash and cash equivalents
Mainly from the proceeds obtained from loan availments and higher takeouts.

294% increase in Receivables (including non-current portion)
Increased from ₱6.22 billion to ₱24.54 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%.

27% decrease in Contract assets (including non-current portion)
from ₱55.60 billion to ₱40.82 billion primarily due to the completion and turnover of installment contracts from existing projects

7% increase in Real Estate Inventories
from ₱21.17 billion to ₱22.57 billion mainly due to lot acquisitions for future development projects and progression of development activities in newly launched and ongoing projects.

30% increase in Deposits on land for future development
from ₱782.30 million to ₱1.02 billion mainly due to additional payments made for the acquisition of strategic landbank properties, including parcels located in Dasmariñas, Cavite, intended for future residential, commercial, and mixed-use developments.

12% increase in Due from related parties
Due to transactions paid by CLI (Parent) on behalf of its related parties from ₱78.39 million to ₱87.73 million.

12% decrease in Prepayments and other current assets
*f*rom ₱10.46 billion to ₱9.25 billion significantly due to decreased advances to subcontractors.

3% increase in Property and equipment
from ₱12.97 billion to ₱13.38 billion primarily attributable to the continued development and increase in construction-in-progress and other ongoing capital expenditures.

5% increase in Investment properties
from ₱21.03 billion to ₱22.07 billion attributed to ongoing construction of recurring income generating projects such as Masters Tower, Abaca Resort and Davao Global Township.

44% decrease in Non-current assets
from ₱1.57 billion to ₱.88 billion due to commissions paid in advance for future periods are now moving into the current period (increased current prepaid commissions).

LIABILITIES

2% increase in Interest-bearing loans and borrowings (including non-current portion)
from ₱60.65 billion to ₱61.86 billion reflects stability, coupled with the strategic decision to raise funds through preferred shares to support ongoing and future project developments.

10% increase in Trade payables (including non-current portion)
from ₱28.73 billion to ₱31.86 billion due to accruals made on unbilled costs to match with revenue recognized.

50% decrease in Redeemable Preferred Shares
from ₱1.59 billion to ₱796.5 million primarily attributable to the reduction in outstanding redeemable preferred shares during the period. This 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.

12% decrease in Contract liabilities
from ₱345.03 million to ₱305.05 million mainly due to the recognition of revenues from previously collected buyer advances upon satisfaction of revenue recognition requirements.

56% decrease in Income tax payable
from ₱39.23 million to ₱17.15 million mainly due to the settlement of outstanding income tax obligations and lower accrual of income tax due for the period.

14% increased Deferred tax liabilities - net
from ₱6.57 billion to ₱7 billion due to additional accrual of Net Profit in 2026 recognized tax liability on taxable temporary differences.

EQUITY

6% increase in Parent Company's Retained Earnings
from ₱13.70 billion in December 2025 to ₱14.58 due to the Net Profit recognized during the period

KEY PERFORMANCE INDICATORS

The Cebu Landmasters Inc. (CLI or the "Company") uses a range of financial and operational key performance indicators ("**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:

	YTD March 31, 2026	YTD Mach 31, 2025
Gross Profit Margin[1]	51%	48%
Net Income Margin[2]	17%	27%
EBITDA[3]	₱2.22 billion	₱2.69 billion
EBITDA Margin[4]	37%	54%
Interest Coverage Ratio[5]	10.14	10.79
	As of March 31, 2026	**As of December 31, 2025**
Return on Assets[6]	3%	3%
Return on Equity (Parent)[7]	16%	17%
Current Ratio[8]	1.91	1.44
Net Debt to Equity Ratio[9]	1.59	1.66
Debt to Equity Ratio[10]	1.69	1.66

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.*
4. *EBITDA margin is EBITDA as a percentage of revenues*
5. *Interest coverage ratio is computed by dividing EBITDA (Earnings before Interest, Taxes, Depreciation, Amortization) plus cash balance, to the interest during the period.*
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 less cash and cash equivalents over total equity*
10. *Debt to Equity is interest bearing debt over total equity*

The Company's gross profit margin is dependent on the mix of revenue during the period. During the first three months of 2026, 36% of the Company's topline was attributable to Garden Series Projects which had a higher Gross Profit Margin compared to the other segments. Additionally, recurring projects showed a remarkable revenue recovery, these projects have Gross Profit Margins with over 51%. Meanwhile, Net Income Margin remains stable at 17%.

Cebu Landmasters continue to implement cost efficiency measures that enabled the company to post stable and healthy margins despite the challenging market environment.

For the period ended March 31, 2026, all other ratios remain healthy with Return on Assets at 3% and Return on Equity (Parent) at 16%. Net Debt to Equity ratio improved to 1.59x significantly due to the Company's current ratio projected ample liquidity at 1.91x.

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

KPIS SUBJECT OF LOAN COVENANTS

The notes facility agreements to which CLI is a party require that it should maintain the following financial ratios, with testing to be done by the Facility Agent annually based on CLI's year-end audited consolidated financial statements:

a. a Debt-to-Equity Ratio not exceeding 2.5:1;
b. a Current Ratio of 1:1; and
c. Interest Coverage Ratio of at least 3:1.

"Debt-to-Equity Ratio" means the result obtained by dividing (i) the amount of interest-bearing liabilities of the Issuer by (ii) total Equity of the Issuer, in each case as appearing in the latest consolidated audited balance sheet of the Issuer; provided, that if the Issuer issues preferred shares which are (1) either redeemable at fixed date, or redeemable at the option of the holder of the preferred shares, and (2) the Issuer is obliged to make payments in the form of either interest or dividends, or the terms and conditions of the issuance of preferred shares oblige the Issuer to distribute a specific percentage of profits, then such preferred shares shall be categorized as liabilities falling under (i) hereof, otherwise, it shall be classified as part of Equity when computing the Debt-to-Equity Ratio. "Equity" means, at any date and as shown in the latest consolidated

audited balance sheet of the Issuer, the aggregate of outstanding capital stock, additional paid-in capital, equity reserve and retained earnings.

"Current Ratio" means the proportion of Current Assets to Current Liabilities and is determined by dividing Current Assets by Current Liabilities. "Current Assets" means, at any date, the aggregate current assets as shown in the latest consolidated balance sheet of the Issuer (as at such date), prepared in compliance with accounting principles generally accepted in the Philippines as set forth in PFRS. "Current Liabilities" means, at any date, the aggregate current liabilities as shown in the latest consolidated balance sheet of the Issuer (as at such date), prepared in compliance with accounting principles generally accepted in the Philippines as set forth in PFRS.

For purposes of the covenant on Interest Coverage Ratio, the ratio shall be computed using 12-months trailing EBITDA plus cash balance over interest due for the next year. "EBITDA" means, during the relevant period, the net earnings of the Issuer before deducting net interest expense, income tax, depreciation, and amortization, as determined in accordance with PFRS and based on the Issuer's consolidated audited financial statements.

OTHER INFORMATION

Item 1. 1st QUARTER 2026 DEVELOPMENTS

(a) **New Projects or Investments in another line of business or corporation.**
None

(b) **Composition of Board of Directors**

Name	Position
Jose R. Soberano III	Chairman of the Board, President, and Chief Executive Officer (CEO)
Ma. Rosario B. Soberano	Director, Treasurer, and Executive Vice-President
Jose Franco B. Soberano	Director, Chief Operating Officer (COO), and Senior Executive Vice-President
Beauregard Grant L. Cheng	Non-Executive Director
Joanna Marie S. Bergundthal	Director, Executive Vice-President for Marketing, HR, Commercial Leasing & Treasurer
Rufino Luis T. Manotok	Lead Independent Director
Ma. Aurora D. Geotina-Garcia	Independent Director
Atty. Ma. Jasmine S. Oporto	Independent Director
Dr. Winston Conrad B. Padojinog	Independent Director
Eugene S. Acevedo	Independent Director
Stephen A. Tan	Non-Executive Director

(c) **Performance of the corporation or result/progress of operations.**

Please see unaudited Financial Statements and Management's Discussion and Analysis.

(d) **Declaration of Dividends.**

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 was paid on May 6, 2026.

(e) **Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements.**

As of March 31, 2026, the Company holds ownership interests in the following subsidiaries and associates:

Entity	Effective Percentage of Ownership	
	2026	2025
Subsidiaries		
(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. ("**CPM"**)	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 ("**MDC**")	78	78
(17) GGTT Realty Corporation ("**GGTT**")	50	50
(18) Sugbo Prime Estate, Inc. ("**SPE**")	64	64
(19) CLI MAC Developers, Inc. ("**CLI MAC**")	60	60
(20) Cebu Luzon Ventures, Inc. ("**CLVI**")	60	100
(21) CLI NUD Ventures, Inc. ("**CLI NUD**")	60	60
(22) CLI Water, Inc. ("**CWI**")	100	100
Entity	**Effective Percentage of Ownership**	
	2025	**2024**
Associates		
(23) Magspeak Nature Park, Inc. ("**Magspeak**")	25	25
(24) Icom Air Corporation ("**ICOM**")	33	33
(25) Iloilo Global City Corporation ("**IGCC**")	43	43

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

CLI MAC was incorporated in Feb 2025 as an undertaking between CLI and Martinez Agricultural Corporation for the development of mixed-used condominium in Cebu City. The principal place of business is located in Cebu City.

CLVI was incorporated in March 2025 as a wholly owned subsidiary of CLI. No definitive business plan has been established yet and its principal place of business is located in Cebu City.

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 March 31, 2026, CWI has yet to start commercial operations.

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.

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.

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 NUD was incorporated in 2024 as a joint venture between CLI and NTT UD Asia Pte. Ltd. (NTTUDA) for the development of a 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. CLI NUD started its commercial operations in August 2025. The principal place of business of CLI NUD is located in Cebu City.

(f) **Offering of rights, granting of Stock Options and corresponding plans thereof.**

The Board of Directors of Cebu Landmasters, Inc. ("Company" or "CLI") during its Special Board meeting on October 6, 2021 has approved the Executive Stock Option Plan (ESOP) for qualified officers of CLI. This is a type of performance incentive, where options are granted to purchase the shares of the Company at a discount.

The shares that may be exercised from these options will be sourced from the treasury shares of the Company or from publicly traded shares. The objectives of the plan are a) to Attract, retain, and motivate talented and key employees; b) Encourage employees to align individual performance with

Company objectives; and c) Reward employee performance with stockholdings in proportion to their contribution to the Company.

Each level has a predetermined number of shares exercisable per year with a four-year vesting period. The exercise price is the higher of Php 2.25 or current market price with a 15% discount. The current market price is computed as the average of the closing price for the last five trading days.

Shares bought under the ESOP cannot be sold, assigned, or transferred in any manner for at least 6 months from the exercise date.

Voting and dividend rights vests upon the issuance of the shares to the employees.

In April 12, 2022, CLI granted exercise of 3,349,000 and 470 CLI shares to beneficiaries/participants under CLI Executive Stock Option Plan sourced from the treasury shares of the Company at the market price of 2.98 and 3.00 respectively.

(g) **Acquisition of additional mining claims or other capital assets or patents, formula, real estate.**

Not Applicable

(h) **Other information, material events or happenings that may have affected or may affect market price of security.**

None

(i) **Transferring of assets, except in the normal course of business.**

None

III. OTHER NOTES FOR THE FIRST QUARTER OF 2026 OPERATIONS AND FINANCIALS

(a) **Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.**

None

(b) **Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period.**

None

(c) **Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period.**

None

(d) **New financing through loans/ issuances, repurchases and repayments of debt and equity securities.**

See Notes to Financial Statements and Management Discussion and Analysis.

(e) **Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.**

None

(f) **The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.**

None

(g) **Changes in Contingent Liabilities or contingent assets since the last annual balance sheet date.**

None

(h) **Other material events or transactions during the interim period.**

None

(i) **Existence of material contingencies during the interim period; events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.**

None

(j) **Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.**

None.

(k) **Material commitments for capital expenditures, general purpose and expected sources of funds**

For the first quarter of 2026, a total of ₱5.6 Bn was spent, with the majority, or 59% for acquisitions.

(l) **Known trends, events or uncertainties that have had or that are reasonably expected to have an impact on sales/revenues/ income from continuing operations.**

None

(m) **Significant elements of income or loss that did not arise from continuing operations**

None

(n) **Causes for any material change/s from period to period in one or more line items of the financial statements.**

None

(o) **Seasonal aspects that had a material effect on the financial condition or results of operations.**

None

(p) **Disclosures not made under SEC Form 17C**

None

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 Dasmariñas, 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 Restated	Increase (Decrease) 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%**

[1]Other 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:

(a) Series A with a tenor of 3.5 years with a fixed rate of 6.4222%
(b) Series B with a tenor of 5.5 years with a fixed rate of 6.9884%
(c) 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:

(d) Series D – maturity of 3 years and a coupon rate of 6.6348%; and,
(e) 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:

(f) Series F – maturity of 7 years; coupon rate of 6.9532% & 6.8727 %
(g) 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-inprogress) 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

December 31, 2025 vs December 31, 2024

In Million Pesos (₱)	Dec 2025 Audited	Dec 2024 Audited Restated	Horizontal Analysis Increase (Decrease) Amount	%	Vertical Analysis 2025	2024
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. lyf 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 Audited	Dec 2023 Audited Restated	Horizontal Analysis Increase (Decrease)		Vertical Analysis	
			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:

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

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

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.

5% 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:

(a) Series A with a tenor of 3.5 years with a fixed rate of 6.4222%
(b) Series B with a tenor of 5.5 years with a fixed rate of 6.9884%
(c) 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.

KEY VARIABLE AND OTHER QUALITATIVE AND QUANTITATIVE FACTORS

Known Trends, Events, or Uncertainties (Material Impact on Liquidity and on Sales)

None.

***Events that will trigger direct or contingent financial obligation that is material to the company,* including any default or acceleration of an obligation**

None.

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

None.

Description of any material commitments for capital expenditures, general purpose of such commitments, expected sources of funds for such expenditures.

The Company's target capital expenditures for the year amounts to ₱18 billion. 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.

Any significant elements of Income or Loss

None.

Causes for Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item

None.

Seasonal Aspects that have Material Effect on the Financial Statement

None.

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

Financial and Other Information

(a) **Required Information**

(1) Financial Statements

Copies of the FY2025 Audited Consolidated Financial Statements of CLI and Subsidiaries, prepared in accordance with SRC Rule 68, as amended, as well as the SEC Form 17-A (Annual Report) of the Company may be downloaded from CLI's website or mailed to any security holder upon written request made to CLI Compliance Officer, Investors Relations Officer, Atty. Lou Delianne Reboja, who may be reached by e-mail at lireboja@cebulandmasters.com or at her office address, i.e., Upper Penthouse, Park Centrale Tower, J.M. del Mar St., Cebu I.T. Park, Apas, Cebu City 6000.

(2) Seasonal Aspect that has Material Effects on the Financial Statements

As of the reporting period, there is no seasonal aspect that may have material effects on the Financial Statements of the Company.

(3) Management's Discussion and Analysis and Plan of Operation

Please refer to Annex "F" for the complete management's discussion, analysis, and plan of operation of the Company.

(4) CLI's General Nature and Scope of Business

CLI was incorporated in the Philippines and registered with the Securities and Exchange Commission on September 26, 2003. The Company is presently engaged in real estate development, sale, and leasing. Its major projects include Asia Premier Residences, Midori Plains, Midori Residences, Park Centrale, Velmiro Heights, Base Line Center, Casa Mira Towers in Labangon, Guadalupe and Mandaue, Casa Mira Linao and Casa Mira South subdivisions, San Josemaria Villages, Mivesa Garden Residences, Mivela Garden Residences, Citadines Cebu City, Latitude Corporate Center, Astra Centre, and 38 Park Avenue, which are all located in Cebu. CLI also has projects in Bacolod, Bohol, Davao, Dumaguete, Cagayan de Oro, and Iloilo. Through joint ventures, the Company also owns several hotels, office condominiums in various cities, and a 23-hectare central business district in Davao City.

(5) Identity of Directors, Executive Officers, Business and Occupation

Please refer to the disclosure in Item 5 above.

Dividends Declared

CLI has declared the following cash and stock dividends.

Cash Dividends

On 17 March 2025, the Board of Directors declared a *regular* cash dividend of ₱0.15 per share and a *special* cash dividend of ₱0.03 per share for stockholders of record as of 11 April 2025 to be paid on or before 2 May 2025.

Year of Dividend 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

Year of Dividend Declaration	Rate of Dividend Declared per Share (in ₱)	Record Date	Amount Paid (in ₱)
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
2018	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	519,780,220
2023	0.15 (Regular) 0.03 (Special)	April 18, 2023	623,736,264
2024	0.15 (Regular) 0.03 (Special)	April 17, 2024	623,736,264
2025	0.15 (Regular) 0.03 (Special)	April 11, 2025	623,736,264
2026	0.18	22 April 2026	*Target payment date on 6 May 2026*

Stock Dividends

Year of Dividend Declaration	Rate of Dividend Declared per Share (in ₱)	Record Date	No. of Shares
2014	0.5208	November 30, 2014	2,000,000
2015	0.3394	December 15, 2015	3,000,000
2021	1.23	June 18, 2021	1,909,451,997

Holders

(i) Approximate number of holders of each class of common shares as of Record Date (23 April 2026):

Common Shares - Outstanding	3,465,201,467
Total number of stockholders (Common Shares)	24
No. of shares per board lot (Common Shares)	1,000
Total number of stockholders owning at least 1 board lot (Common Shares)	17
Common Shares - Treasury	158,250,530

(ii), (iii), and (iv) Details as to the Top 20 CLI shareholders, number of shares held, and percentage of total issued and outstanding shares as of Record Date (23 April 2026):

CLI Stockholder	No. of Shares Held	Percentage of Total Issued and Outstanding Shares
AB SOBERANO HOLDINGS CORP.	2,198,385,729	60.67%
PCD NOMINEE CORP. (FILIPINO)	1,244,529,830	34.35%
AB SOBERANO HOLDINGS CORPORATION	63,675,306	1.76%
PCD NOMINEE CORP. (NON-FILIPINO)	35,744,456	0.99%
JOSE R. SOBERANO III	31,220,000	0.86%
AB SOBERANO HOLDINGS CORP.	21,345,560	0.59%
JOSE FRANCO B. SOBERANO	7,247,500	0.20%
A B SOBERANO HOLDINGS CORP.	5,463,500	0.15%
AB SOBERANO HOLDINGS CORPORATION	5,329,000	0.15%
JANELLA MAE SOBERANO-WU	5,017,500	0.14%
JOANNA MARIE S. BERGUNDTHAL	5,017,500	0.14%
MA. NONA A. VELEZ	300,000	0.01%
MYRNA P. VILLANUEVA	39,300	0.00%
MYRA P. VILLANUEVA	33,450	0.00%
MARIETTA V. CABREZA	22,300	0.00%
MARIA LOURDES M. ONOZAWA	22,300	0.00%
LOLITA SIAO-IGNACIO	22,300	0.00%
MILAGROS P. VILLANUEVA	22,300	0.00%
WINGLIP ANTHONY MOZAR CHANG &/OR XACAH ALESSANDRA KIENER CHANG	11,819	0.00%
ELIZABETH S. CHENG OR IVANA HESTER S. CHENG OR LAWRENCE S. CHENG	2,230	0.00%
OWEN NATHANIEL S AU ITF: LI MARCUS AU	111	0.00%
JESUS N. ALCORDO	2	0.00%
MA. AURORA D. GEOTINA-GARCIA	2	0.00%
RUFINO LUIS T. MANOTOK	2	0.00%

(6) Sale of Unregistered or Exempt securities

There are no unregistered or exempt securities as well as securities constituting an exempt transaction issued by the Company during the year 2025.

(7) Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Punongbayan & Araullo has been the principal accountant and external auditor of the Company and its subsidiaries during the four most recent fiscal years. The Company has had no material disagreements with it on any matter pertaining to accounting and financial disclosures.

(8) Attendance of Principal Accountant and External Auditor in Annual Stockholders Meeting

A representative of Punongbayan & Araullo is expected to be present during the 2026 Regular Stockholders' Meeting to respond to appropriate questions or make a statement if he/she desires to do so.

INFORMATION ON INDEPENDENT ACCOUNTANT EXTERNAL AUDIT FEES

EXTERNAL AUDIT FEES

The following table sets out the aggregate fees for each of the last three (3) fiscal years for professional services rendered by CLI's external auditors:

	2023	2024	2025
Audit and Audit-Related Fees	₱5,712,000.00	₱6,698,440.00	₱12,558,500.00
Tax Fees	None	None	None
All Other Fees	None	₱552,000.00	₱480,000.00
TOTAL	**₱5,712,000.00**	**₱7,250,440.00**	**₱13,038,500.00**

The increase in audit and audit-related fees from ₱6,698,440.00 in 2024 to ₱12,558,500.00 in 2025 is primarily attributable to additional audit-related and other assurance services performed by P&A, including circle-up procedures and the issuance of comfort letters, in addition to the regular annual adjustment in audit fees. Accordingly, the 2025 amount includes both the recurring annual audit engagement fees and other audit-related / assurance services, and does not represent a corresponding increase in the annual audit engagement rate alone.

All non-audit and non-audit related fees (e.g., tax fees; all other fees) undergo the review and approval of CLI's Audit Committee. In accordance with existing policies and in compliance with corporate governance requirements, CLI Management, led by its CFO, presents details of the proposed non-audit services, including nature of work, scope of work, proposed fees, and copies of engagement proposals from the third party service providers. These serve as the basis for the Audit Committee to recommend approval of the non-audit services to the CLI Board of Directors. The Audit Committee disallows any non-audit work that will conflict with the duties of the external auditor or may pose a threat to its independence.

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.

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 to Exhibits*.

MARKET PRICE INFORMATION

CLI listed its common shares with the Philippine Stock Exchange on 2 June 2017.

Philippine Stock Exchange
Prices (in PHP/ share)

	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 resulting in a price split			
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	2.68	2.60	2.63
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	2.65
Fourth Quarter	2.68	2.64	2.65
2025			
First Quarter	2.61	2.59	2.60
Second Quarter	2.50	2.49	2.49

Third Quarter	2.33	2.30	2.32
Fourth Quarter	2.35	2.34	2.35
2026			
First Quarter	2.40	2.37	2.37
12 May 2026 (latest practicable date)	2.30	2.27	2.30

The market capitalization of CLI, based on the closing price of ₱2.30 per share as of 12 May 2026, the latest practicable date prior to the submission of this Information Statement, is approximately ₱7,969,963,374.10. As of the ASM record date of 23 April 2026, the number of persons holding CLI common shares is twenty-four (24).

COMPLIANCE WITH LEADING PRACTICES ON CORPORATE GOVERNANCE

The Company is committed to doing business in accordance with the highest professional standards, business conduct and ethics and all applicable laws, rules, and regulations in the Philippines. The Company, its directors, officers, and employees are dedicated to promote and adhere to the principles of good corporate governance by observing and maintaining its core business principles of accountability, integrity, fairness, and transparency.

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 for the 2025-2026 term. 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.

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://tinyurl.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, Nominations 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 (FY2025)	**Php**	**13,038,500.00**

For the 2025-2026 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. Dr. 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. Nominations Committee

The Nominations 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 Nominations Committee is composed of three (3) qualified directors, including the incumbent 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.

ANNEX "G"

Disclosures under Section 49 of the Revised Corporation Code of the Philippines

a. In the previous regular meeting, voting was done by sending proxy forms and ballots electronically to the Office of the Corporate Secretary. The identity of the shareholder and his or her shareholdings were validated, and thereafter all votes received were tabulated by the accounting firm of Sta. Ana Rivera & Co., in coordination with CLI's Office of the Corporate Secretary and CLI's stock transfer agent.

b. Shareholders attending the meeting, whether remotely or in-person, were given the opportunity to ask questions after the presentation of the materials and the voting items.

None of the shareholders or their proxies present raised any other matters or asked questions after the presentation of the materials and the voting items.

c. The agenda items discussed and summary of the voting results of the regular meeting are as follows:

Agenda Items	Yes	No	Abstain
Approval of Minutes of the Annual Stockholders Meeting held on 4 June 2024)	2,671,146,398	0	0
Approval of the CFO's Report	2,671,146,398	0	0
Approval of the COO's Report	2,671,146,398	0	0
Approval of the Chairman's Report	2,671,146,398	0	0
Approval of the 2024 Audited Financial Statements	2,671,146,398	0	0
Appointment of Punongbayan & Araullo as External Auditor for FY 2025	2,671,146,398	0	0
Ratification of Acts, Resolutions, and Proceedings of the Board of Directors, Corporate Officers, and Management from 4 June 2024 to 11 July 2025	2,670,070,423	0	1,075,975
Amendments of By-Laws	2,670,070,423		1,075,975
Election of the Board of Directors for the 2025-2026 term			
Jose R. Soberano III	2,671,146,398	0	0
Ma. Rosario B. Soberano	2,670,070,423	0	1,075,975
Jose Franco B. Soberano	2,670,070,423	0	1,075,975
Joanna Marie S. Bergundthal	2,670,070,423	0	1,075,975
Stephen A. Tan	2,670,070,423	0	1,075,975
Beauregard Grant L. Cheng	2,670,070,423	0	1,075,975
Rufino Luis T. Manotok	2,670,070,423	0	1,075,975
Ma. Aurora D. Geotina-Garcia	2,670,070,423	0	1,075,975
Atty. M. Jasmine S. Oporto	2,670,070,423	0	1,075,975

Dr. Winston Conrad B. Padojinog	2,670,070,423	0	1,075,975
Dr. Eugene S. Acevedo	2,670,070,423	0	1,075,975

d. The following stockholders were present during the previous regular meeting:

NAME	Direct / Indirect Shareholding
Jose R. Soberano III (*Chairman of the Board*)	Direct and Indirect
Ma. Rosario B. Soberano (*Director*)	Direct and Indirect
Jose Franco B. Soberano (*Director*)	Direct and Indirect
Joanna Marie S. Bergundthal (*Director*)	Direct and Indirect
Beauregard Grant L. Cheng (*Director*)	Direct and Indirect
Stephen A. Tan (*Non-Executive Director; Chairperson of the Compensation & Benefits Committee*)	Direct
Atty. M. Jasmine S. Oporto (*Independent Director; Chairperson of the Risk Oversight Committee*);	Direct
Rufino Luis T. Manotok (*Lead Independent Director; Chairperson of the RPT Committee*)	Direct and Indirect
Ma. Aurora D. Geotina-Garcia (*Independent Director; Chairperson of the Audit Committee*)	Direct
Dr. Winston Conrad B. Padojinog (*Independent Director; Chairperson of the Corporate Governance Committee*)	Direct
Dr. Eugene S. Acevedo (*Independent Director; Chairperson of the Finance & Investments Committee*)	Direct
Paquita T. Rafols	Direct
Atty. Larri-Nil G. Veloso	Direct
Janella Mae S. Wu	Direct and Indirect
Jose Gabriel B. Soberano	Direct and Indirect
Marie Rose C. Yulo	Indirect
Sylvan John M. Monzon	Direct and Indirect
AB Soberano Holdings Corp.	Direct

e. As can be gleaned above, the Chairman of the Board, Jose R. Soberano III, and all other members of the Board of Directors, including the respective Chairpersons of the Board Committees, were all present during CLI's most recent ASM (2025 ASM).

f. In the previous meeting, no appraisals and performance report for the Board were presented.

g. No director has made self-dealings or related party transactions with the Company for the last three fiscal years, i.e., 2023, 2024, and 2025 and in the interim period in 2026.

h. Five (5) of the CLI Directors, namely Chairman Jose R. Soberano III, Dir. Ma. Rosario B. Soberano, Dir. Jose Franco B. Soberano, Dir. Beauregard Grant L. Cheng, and Dir. Joanna Marie S. Bergundthal are simultaneously the Top 5 Executives of the Company, whose compensation reports are disclosed under Item 6 above. The following non-executive directors have received their corresponding total compensation in 2025 pursuant to Item 7(a) above:

Non-Executive Directors	**Total Compensation in 2025 (in ₱)**
Rufino Luis T. Manotok	1,150,000.00
Ma. Aurora D. Geotina-Garcia	1,210,000.00
Atty. Ma. Jasmine S. Oporto	1,250,000.00
Stephen A. Tan	1,260,000.00
Winston Conrad B. Padojinog	730,000.00
Eugene S. Acevedo	730,000.00

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	.		
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																								

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

Paquita T. Rafols	032-231-4870
Contact Person	Company Telephone Number

1	2	3	1	17-Q	0	7	1	1
Month	Day			Form Type	Month			
Day								

Annual

Meeting

June 5, 2026

Secondary License Type, If Applicable

Dept. Requiring this Doc		Amended Articles
Number/Section		

Total Amount of Borrowings

24		
Total No. of Stockholders	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, B2 L3,
JOSE MA. DEL MAR ST.,
CEBU IT PARK, APAS, CEBU CITY**

(Company Address)

(032) 231-4870

(Telephone Number)

March 31, 2026

(Quarter Ended)

SEC Form 17-Q Quarterly Report

(Form Type)

-

(Amendments)

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE

SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. **For the quarterly period ended March 31, 2026**
2. **Commission Identification Number CS200321240**
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 the issuer's principal office and postal code:**

   10TH FLOOR, PARK CENTRALE, B2 L3, JOSE MA. DEL MAR ST., CEBU IT PARK, APAS, CEBU CITY
   Postal code: 6000

9. **Issuer's telephone number, including area code: (032) 231-4870**
10. **Former name, former address, former fiscal year: Not applicable**
11. **Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA**

Title of each class	Number of shares issued and outstanding
COMMON SHARES	3,465,201,467
PREFERRED SHARES	4,280,340

Stock Exchange: Philippine Stock Exchange

Securities listed: Common shares
Preferred shares

12. **Indicate by check mark whether the registrant:**

(a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding 12 months (or for such shorter period that the registrant was required to file such reports):
Yes [x] No [ ]

(b) has been subject to such filing requirements for the past 90 days:
Yes [x] No [ ]

I. MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

CLI is the leading residential developer in Visayas and Mindanao. 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 worth of fresh capital from investors – boosting its expansion in new locations and fueling its various projects.

As of March 31, 2026, 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 18 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 sustaine d 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.

COMPANY MILESTONES

During the initial quarter of 2026, CLI, in partnership with the Archdiocese of Cebu, officially opened Patria de Cebu, a 21,000-square meter mixed-use heritage development strategically located within Cebu's historic district. The project integrates retail, office, and hospitality components while preserving the site's cultural

significance through a Filipino-Spanish inspired architectural design. Ahead of the Sinulog festivities, Patria de Cebu commenced operations with the opening of several retail, food and beverage, wellness, and essential service tenants, further contributing to the revitalization of Cebu's downtown commercial corridor.

CLI likewise reinforced its commitment to sustainable urban development through its partnership with Xavier University for the construction of the Php120-million Manresa Access Road in Cagayan de Oro City. Fully funded by CLI, the infrastructure project is expected to improve connectivity between Uptown and Downtown Cagayan de Oro and support the long-term development of Manresa Town, the Company's 14.6-hectare university township seamlessly connected to Xavier University's Masterson Campus. Scheduled for completion by the fourth quarter of 2027, the project underscores CLI's strategy of integrating infrastructure support within its township developments.

In line with its Luzon expansion strategy, CLI secured an approximately 70-hectare property in Dasmariñas, Cavite, earmarked for the Company's flagship township development in Luzon. The master-planned estate is envisioned to deliver approximately 6,000 residential units alongside commercial, institutional, and estate components in multiple phases. Initial launches are targeted between 2027 and 2028, further expanding CLI's geographic footprint beyond the Visayas and Mindanao regions.

Meanwhile, CLI Hotels and Resorts expanded the Company's hospitality portfolio with the opening of Radisson RED Cebu Mandaue, the first Radisson RED hotel in the Philippines. The Php1.99-billion development features 144 hotel keys, contemporary dining concepts, lifestyle amenities, and flexible event spaces. The opening marks CLI's fifth operational hotel and further strengthens the Company's recurring income base, complementing its core residential business while supporting the continued growth of tourism and business activity in Cebu.

As of March 31, 2026, Cebu Landmasters, Inc. ("CLI") recorded consolidated revenues of PHP 5.98 billion, representing a 20% increase year-on-year. The growth was primarily driven by the 21% increase in real estate sales to ₱5.78 billion from ₱4.79 billion, excluding lot sales which were reclassified to other income following the applicable regulatory ruling. The increase in real estate revenues was supported by sustained construction progress across existing projects and the continued recognition of sold units during the period. Parent net income after tax reached PHP 880.85 million, supported by reservation sales of PHP 4.58 billion and a strong 92% sell-out rate across the Company's residential developments.

The Company's recurring income businesses likewise posted steady growth during the quarter, with hospitality revenues increasing by 14% amid improving tourism activity and the contribution of newly opened hotel properties, while leasing revenues also grew by 14% driven by higher occupancy and the expansion of the leasing portfolio.

CLI further strengthened its financial position, with net debt-to-equity ratio improving to 1.59x as of March 31, 2026. Total assets stood at PHP 139.67 billion at period-end, reflecting the continued expansion of the Company's development and investment portfolio.

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 Dasmariñas, 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 March 1, 2026 vs January 1 to March 31, 2025

Cebu Landmasters Inc. demonstrated a steady performance in the first quarter of 2026, with consolidated revenue increasing by 20% to reach ₱6.506 billion from ₱4.97 billion in the same period last year. This growth was driven by expansion across all business segments, highlighting robust market demand. Consequently, the company achieved -12% in net income to parent, from ₱995.37 million to ₱880.85 million.

REVENUES

Real estate sales
Real estate sales recorded a 21% year-over-year increase in revenue to ₱5.78 billion from ₱4.79 billion, excluding lot sales which were reclassified to other income following the applicable regulatory ruling. A key contributor to this growth is supported by steady construction progress and the recognition of additional units.

In terms of location, Cebu still is the strongest contributor of revenue which accounted for 50% of its overall figure. Mindanao and Visayas (ex-Cebu) contributed 29% and 18%, respectively. The increase in share in revenue outside Cebu were driven by new projects such as Velmiro Heights Davao, 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 ₱1.65 billion, reflecting an increase of 144% year-on-year from ₱675 million. This increase can be attributed to significant revenue qualifications from Costa Mira Beachtown Panglao.

Garden Series (Mid-market), posted a revenue of ₱2.07 billion from ₱2.44 billion reflecting a decrease of 15%. This decrease can be attributed to significant revenue qualifications in the previous year related to Velmiro Heights Davao and Mindara Residences.

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Casa Mira Series (Economic market) generated revenue from ₱1.59 billion to ₱1.99 billion. The 25% growth was driven by Casa Mira Homes Gen San.

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

Leasing

The company posted strong growth in rental revenues, reaching ₱60.15 million, up 14% from ₱50.73 million in the same period last year. The increase was driven by higher occupancy from completed commercial projects, the entry of new retail tenants, and the continued expansion of CLI's leasing portfolio.

CLI has substantially expanded its Gross Leasable Area (GLA) by 76% to 71,241 square meters from 40,575 square meters last year, supported by the completion and turnover of Banilad Highstreet and the Drive-Thru spaces in Davao Global Township, both of which achieved full lease occupancy. Additional contributions came from the DGT Pavilion, DGT Retail Pads, expansions in DGT City Center, LPU Town Center, and Paragon Lifestyle Mall, as well as the opening and tenant take-up of Astra Mall, which is expected to further strengthen recurring rental revenues moving forward.

Additional recurring income contributions are likewise expected from Patria de Cebu, CLI's heritage-inspired mixed-use development in downtown Cebu developed in partnership with the Archdiocese of Cebu. The project has started welcoming retail tenants and commercial establishments following its opening earlier this year.

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 Company continued to expand its hospitality portfolio during the period in line with its strategy to strengthen recurring income streams and capitalize on the growing tourism and hospitality market in VisMin. Reinforcing this strategy, CLI Hotels and Resorts recently opened Radisson RED Cebu Mandaue, a Php1.99 billion development and the first Radisson RED hotel in the Philippines. The 144-key full-service hotel offers five room categories, dining concepts, lifestyle amenities, and flexible event spaces, further enhancing the Company's presence in the hospitality sector and introducing the internationally recognized Radisson RED brand to Cebu.

The Company likewise expanded its footprint outside Cebu City through the opening of the 200-room Citadines Bacolod City, currently the largest international hotel in Bacolod. Following these openings, CLI's operational hospitality portfolio increased

to five properties, consisting of Citadines Cebu City, Iyf Cebu City at Base Line Center, The Pad Co-Living in Banilad High Street, Radisson RED Cebu Mandaue, and Citadines Bacolod City.

Driven by improving tourism activity and the contribution of newly opened properties, hotel revenues increased by 14% to ₱119.30 million from ₱104.57 million in the same period last year. The Company also continues to expand its hospitality pipeline with the upcoming completion of the 263-room Citadines Paragon Davao by the end of 2025 and six additional hotel developments currently under construction, supporting the Company's long-term recurring income growth strategy

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 CLI Property Management (CLIPMI) services provided to CLI's completed projects. During the year, the parent company's project management revenue reached ₱30.85 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 for the three months ending March 31, 2026, was reported at ₱2.93 billion, 13% year-over-year increase from ₱2.59 billion of the same period last year.

Operating Expenses
Total operating expenses during the period amounted to ₱1.07 billion, a 4% y-o-y increase from ₱1.03 billion of the same period in 2025.

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%.

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:

C. Series D – maturity of 3 years and a coupon rate of 6.6348%; and,
D. 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.

NIAT ATTRIBUTABLE TO NON-CONTROLLING INTEREST (NCI)

For the period ending March 31, 2026, NIAT attributable to NCI saw a decrease from ₱146 million in Q1 2026 from ₱329 million. This decrease is due to lower income contribution from completing JV projects.

REVIEW ON THE COMPANY'S FINANCIAL CONDITION
As of March 31, 2026, vs December 31, 2025

CLI's balance sheet remains steady and healthy to support construction and expansion plans. As of March 31, 2026, CLI reported total assets of ₱139.67 billion, an increase of 4% from ₱134.16 billion as of December 31, 2025 driven by progress in construction from sold units.

ASSETS

26% increase in Cash and cash equivalents
Mainly from the proceeds obtained from loan availments and higher takeouts.

294% increase in Receivables (including non-current portion)
Increased from ₱6.22 billion to ₱24.54 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%.

27% decrease in Contract assets (including non-current portion)
from ₱55.60 billion to ₱40.82 billion primarily due to the completion and turnover of installment contracts from existing projects

7% increase in Real Estate Inventories
from ₱21.17 billion to ₱22.57 billion mainly due to lot acquisitions for future development projects and progression of development activities in newly launched and ongoing projects.

30% increase in Deposits on land for future development
from ₱782.30 million to ₱1.02 billion mainly due to additional payments made for the acquisition of strategic landbank properties, including parcels located in Dasmariñas, Cavite, intended for future residential, commercial, and mixed-use developments.

12% increase in Due from related parties
Due to transactions paid by CLI (Parent) on behalf of its related parties from ₱78.39 million to ₱87.73 million.

12% decrease in Prepayments and other current assets
*f*rom ₱10.46 billion to ₱9.25 billion significantly due to decreased advances to subcontractors.

3% increase in Property and equipment
from ₱12.97 billion to ₱13.38 billion primarily attributable to the continued development and increase in construction-in-progress and other ongoing capital expenditures.

5% increase in Investment properties
from ₱21.03 billion to ₱22.07 billion attributed to ongoing construction of recurring income generating projects such as Masters Tower, Abaca Resort and Davao Global Township.

44% decrease in Non-current assets
from ₱1.57 billion to ₱.88 billion due to commissions paid in advance for future periods are now moving into the current period (increased current prepaid commissions).

LIABILITIES

2% increase in Interest-bearing loans and borrowings (including non-current portion)
from ₱60.65 billion to ₱61.86 billion reflects stability, coupled with the strategic decision to raise funds through preferred shares to support ongoing and future project developments.

10% increase in Trade payables (including non-current portion)
from ₱28.73 billion to ₱31.86 billion due to accruals made on unbilled costs to match with revenue recognized.

50% decrease in Redeemable Preferred Shares

from ₱1.59 billion to ₱796.5 million primarily attributable to the reduction in outstanding redeemable preferred shares during the period. This 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.

12% decrease in Contract liabilities
from ₱345.03 million to ₱305.05 million mainly due to the recognition of revenues from previously collected buyer advances upon satisfaction of revenue recognition requirements.

56% decrease in Income tax payable
from ₱39.23 million to ₱17.15 million mainly due to the settlement of outstanding income tax obligations and lower accrual of income tax due for the period.

14% increased Deferred tax liabilities - net
from ₱6.57 billion to ₱7 billion due to additional accrual of Net Profit in 2026 recognized tax liability on taxable temporary differences.

EQUITY

6% increase in Parent Company's Retained Earnings
from ₱13.70 billion in December 2025 to ₱14.58 due to the Net Profit recognized during the period

I. KEY PERFORMANCE INDICATORS

The Cebu Landmasters Inc. (CLI or the "Company") uses a range of financial and operational key performance indicators ("**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:

	YTD March 31, 2026	**YTD Mach 31, 2025**
Gross Profit Margin[1]	51%	48%
Net Income Margin[2]	17%	27%
EBITDA[3]	₱2.22 billion	₱2.69 billion
EBITDA Margin[4]	37%	54%
Interest Coverage Ratio[5]	10.14	10.79
	As of March 31, 2026	**As of December 31, 2025**
Return on Assets[6]	3%	3%
Return on Equity (Parent)[7]	16%	17%
Current Ratio[8]	1.91	1.44
Net Debt to Equity Ratio[9]	1.59	1.66

Debt to Equity Ratio[10]	1.69	1.66

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.*
4. *EBITDA margin is EBITDA as a percentage of revenues*
5. *Interest coverage ratio is computed by dividing EBITDA (Earnings before Interest, Taxes, Depreciation, Amortization) plus cash balance, to the interest during the period.*
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 less cash and cash equivalents over total equity*
10. *Debt to Equity is interest bearing debt over total equity*

The Company's gross profit margin is dependent on the mix of revenue during the period. During the first three months of 2026, 36% of the Company's topline was attributable to Garden Series Projects which had a higher Gross Profit Margin compared to the other segments. Additionally, recurring projects showed a remarkable revenue recovery, these projects have Gross Profit Margins with over 51%. Meanwhile, Net Income Margin remains stable at 17%.

Cebu Landmasters continue to implement cost efficiency measures that enabled the company to post stable and healthy margins despite the challenging market environment.

For the period ended March 31, 2026, all other ratios remain healthy with Return on Assets at 3% and Return on Equity (Parent) at 16%. Net Debt to Equity ratio improved to 1.59x significantly due to the Company's current ratio projected ample liquidity at 1.91x.

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

KPIS SUBJECT OF LOAN COVENANTS

The notes facility agreements to which CLI is a party require that it should maintain the following financial ratios, with testing to be done by the Facility Agent annually based on CLI's year-end audited consolidated financial statements:

a. a Debt-to-Equity Ratio not exceeding 2.5:1;
b. a Current Ratio of 1:1; and
c. Interest Coverage Ratio of at least 3:1.

"Debt-to-Equity Ratio" means the result obtained by dividing (i) the amount of interest-bearing liabilities of the Issuer by (ii) total Equity of the Issuer, in each case as appearing in the latest consolidated audited balance sheet of the Issuer; provided, that if the Issuer issues preferred shares which are (1) either redeemable at fixed date, or redeemable at the option of the holder of the preferred shares, and (2) the Issuer is obliged to make payments in the form of either interest or dividends, or the terms and conditions of the issuance of preferred shares oblige the Issuer to distribute a specific percentage of profits, then such preferred shares shall be categorized as liabilities falling under (i) hereof, otherwise, it shall be classified as part of Equity when computing the Debt-to-Equity Ratio. "Equity" means, at any date and as shown in the latest consolidated audited balance sheet of the Issuer, the aggregate of outstanding capital stock, additional paid-in capital, equity reserve and retained earnings.

"Current Ratio" means the proportion of Current Assets to Current Liabilities and is determined by dividing Current Assets by Current Liabilities. "Current Assets" means, at any date, the aggregate current assets as shown in the latest consolidated balance sheet of the Issuer (as at such date), prepared in compliance with accounting principles generally accepted in the Philippines as set forth in PFRS. "Current Liabilities" means, at any date, the aggregate current liabilities as shown in the latest consolidated balance sheet of the Issuer (as at such date), prepared in compliance with accounting principles generally accepted in the Philippines as set forth in PFRS.

For purposes of the covenant on Interest Coverage Ratio, the ratio shall be computed using 12-months trailing EBITDA plus cash balance over interest due for the next year. "EBITDA" means, during the relevant period, the net earnings of the Issuer before deducting net interest expense, income tax, depreciation, and amortization, as determined in accordance with PFRS and based on the Issuer's consolidated audited financial statements.

II. OTHER INFORMATION

ITEM 1 1st QUARTER 2026 DEVELOPMENTS

A. New Projects or Investments in another line of business or corporation. None

B. Composition of Board of Directors

Name	Position
Jose R. Soberano III	Chairman of the Board, President, and Chief Executive Officer (CEO)
Ma. Rosario B. Soberano	Director, Treasurer, and Executive Vice-President
Jose Franco B. Soberano	Director, Chief Operating Officer (COO), and Senior Executive Vice-President
Beauregard Grant L. Cheng	Non-Executive Director
Joanna Marie S. Bergundthal	Director, Executive Vice-President for Marketing, HR, Commercial Leasing & Treasurer
Rufino Luis T. Manotok	Lead Independent Director
Ma. Aurora D. Geotina-Garcia	Independent Director
Atty. Ma. Jasmine S. Oporto	Independent Director
Dr. Winston Conrad B. Padojinog	Independent Director
Eugene S. Acevedo	Independent Director
Stephen A. Tan	Non-Executive Director

E. Performance of the corporation or result/progress of operations.

Please see unaudited Financial Statements and Management's Discussion and Analysis.

F. Declaration of Dividends.

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 was paid on May 6, 2026.

G. Contracts of merger, consolidation or joint venture; contract of management, licensing, marketing, distributorship, technical assistance or similar agreements.

As of March 31, 2026, the Company holds ownership interests in the following subsidiaries and associates:

Entity	Effective Percentage of Ownership	
	2026	2025
Subsidiaries		
(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. ("**CPM"**)	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 ("**MDC**")	78	78
(17) GGTT Realty Corporation ("**GGTT**")	50	50
(18) Sugbo Prime Estate, Inc. ("**SPE**")	64	64
(19) CLI Mac Developers, Inc. ("**CLI MAC**")	60	60
(20) Cebu Luzon Ventures, Inc. ("**CLVI**")	60	100
(21) CLI NUD Ventures, Inc. ("**CLI NUD**")	60	60
(22) CLI Water, Inc. ("**CWI**")	100	100
Entity	**Effective Percentage of Ownership**	
	2025	**2024**
Associates		

(23) Magspeak Nature Park, Inc. ("**Magspeak**")	25	25
(24) Icom Air Corporation ("**ICOM**")	33	33
(25) Iloilo Global City Corporation ("**IGCC**")	43	43

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

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.

CLI Mac was incorporated in Feb 2025 as an undertaking between CLI and Martinez Agricultural Corporation for the development of mixed-used condominium in Cebu City. The principal place of business is located in Cebu City.

CLVI was incorporated in March 2025 as a wholly owned subsidiary of CLI. No definitive business plan has been established yet and its principal place of business is located in Cebu City.

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 March 31, 2026, CWI has yet to start commercial operations.

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.

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.

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 NUD was incorporated in 2024 as a joint venture between CLI and NTT UD Asia Pte. Ltd. (NTTUDA) for the development of a 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. CLI NUD started its commercial operations in August 2025. The principal place of business of CLI NUD is located in Cebu City.

F. Offering of rights, granting of Stock Options and corresponding plans thereof.

The Board of Directors of Cebu Landmasters, Inc. ("Company" or "CLI") during its Special Board meeting on October 6, 2021 has approved the Executive Stock Option Plan (ESOP) for qualified officers of CLI. This is a type of performance incentive, where options are granted to purchase the shares of the Company at a discount.

The shares that may be exercised from these options will be sourced from the treasury shares of the Company or from publicly traded shares. The objectives of the plan are a) to Attract, retain, and motivate talented and key employees; b) Encourage employees to align individual performance with Company objectives; and c) Reward employee performance with stockholdings in proportion to their contribution to the Company.

Each level has a predetermined number of shares exercisable per year with a four-year vesting period. The exercise price is the higher of Php 2.25 or current market price with a 15% discount. The current market price is computed as the average of the closing price for the last five trading days.

Shares bought under the ESOP cannot be sold, assigned, or transferred in any manner for at least 6 months from the exercise date.

Voting and dividend rights vests upon the issuance of the shares to the employees.

In April 12, 2022, CLI granted exercise of 3,349,000 and 470 CLI shares to beneficiaries/participants under CLI Executive Stock Option Plan sourced from the treasury shares of the Company at the market price of 2.98 and 3.00 respectively.

G. Acquisition of additional mining claims or other capital assets or patents, formula, real estate.

Not Applicable

H. Other information, material events or happenings that may have affected or may affect market price of security.

None

I. Transferring of assets, except in the normal course of business.

None

III. OTHER NOTES FOR THE FIRST QUARTER OF 2026 OPERATIONS AND FINANCIALS

J. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidents.

None

K. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period.

None

L. Nature and amount of changes in estimates of amounts reported in prior periods and their material effect in the current period.

None

M. New financing through loans/ issuances, repurchases and repayments of debt and equity securities.

See Notes to Financial Statements and Management Discussion and Analysis.

N. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

None

O. The effect of changes in the composition of the issuer during the interim period including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations.

None

P. Changes in Contingent Liabilities or contingent assets since the last annual balance sheet date.

None

Q. Other material events or transactions during the interim period.

None

R. Existence of material contingencies during the interim period; events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation.

None

S. Material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

None.

T. Material commitments for capital expenditures, general purpose and expected sources of funds

For the first quarter of 2026, a total of ₱5.6 Bn was spent, with the majority, or 59% for acquisitions.

U. Known trends, events or uncertainties that have had or that are reasonably expected to have an impact on sales/revenues/ income from continuing operations.

None

V. Significant elements of income or loss that did not arise from continuing operations

None

W. Causes for any material change/s from period to period in one or more line items of the financial statements.

None

X. Seasonal aspects that had a material effect on the financial condition or results of operations.

None

Y. Disclosures not made under SEC Form 17C

None

CEBULANDMASTERS
We Build with You in Mind

SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ISSUER CEBU LANDMASTERS, INC.

[redacted]

PRINCIPAL ACCOUNTING OFFICER **PAQUITA RAFOLS**
Chief Financial Officer

DATE May 12, 2026

Republic of the Philippines)
City of Cebu City) S.S.

SUBSCRIBED AND SWORN to me before this MAY 12 2026, personally appeared Paquita T Rafols, who is personally known to me to be the same person who signed the foregoing *SEC 17Q* in my presence and swore as to said document that she understood the contents thereof and that the same is her free and voluntary act and deed and of the Company represented herein.

Witness my hand and seal on the date and place abovementioned.

Doc. No. 370;
Page No. 75;
Book No. 18;
Series of 2026.

ATTY. EDELINE O. COSICOL
ROLL NO. 82445
NOTARY PUBLIC
CEBU CITY, PHILIPPINES

[redacted]

ATTY. EDELINE O. COSICOL
Notary Public
Notarial Commission No 040-23 Cebu City
Valid until December 31, 2026
Roll of Attorneys No 82445
MCLE Compliance No VIII-0000258, issued on 08-30-2022
PTR No. 1580267 ; 12-12-2025; Cebu Province
IBP No. 586024 ; 01-04-2026; Cebu Chapter
Room 1706 17th Floor Park Centrale Tower,
J.M. Del Mar St., Cebu I.T. Park, Apas, Cebu City

CEBULANDMASTERS
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STATEMENT OF MANAGEMENT APPROVAL OF FINANCIAL STATEMENTS

The management of Cebu Landmasters, Inc. and Subsidiaries (the Group) is responsible for the preparation and fair presentation of the condensed consolidated interim financial statements, including the schedules attached herein, for the three months ended March 31, 2026 and 2025, 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 statement 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 condensed consolidated interim financial statements, including the schedules attached therein, and submits the same to the stockholders.

[redacted]

Jose R. Soberano III
Chairman of the Board and Chief Executive Officer
TIN: [redacted]

[redacted]

Ma. Rosario B. Soberano
Executive Vice President and Treasurer
TIN: [redacted]

[redacted]

Paquita Tigue-Rafols
Chief Financial Officer
TIN: [redacted]

Signed this 11th day of May 2026.

SUBSCRIBED AND SWORN to before me this MAY 11 2026 at Cebu City, affiants exhibiting to me their respective Tax Identification Nos.

Doc No. 28;
Page No. 7;
Book No. 5;
Series of 2026

[redacted]

ATTY. ALEN 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-0024482, 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 IT Park, Apas, Cebu City

ATTY. ALEN JOEL R. PITA
ROLL NO. 72443
NOTARY PUBLIC
CEBU CITY, PHILIPPINES

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
MARCH 31, 2026 AND DECEMBER 31, 2025
(Amounts in Philippine Pesos)

	Notes	March 31 2026 Unaudited	December 31 2025 Audited
A S S E T S			
CURRENT ASSETS			
Cash and cash equivalents	4	**P 3,826,834,111**	P 3,040,615,556
Receivables - net	5	**23,376,930,934**	4,707,683,379
Contract assets - net	17	**17,294,419,101**	17,104,926,866
Real estate inventories	6	**22,568,661,633**	21,173,330,063
Deposits on land for future development	7	**1,018,717,875**	782,304,850
Due from related parties	25	**87,727,036**	78,394,118
Prepayments and other current assets	8	**9,246,328,270**	10,463,495,982
Non-current asset held-for-sale		**-**	-
Total Current Assets		**77,419,618,960**	57,350,750,814
NON-CURRENT ASSETS			
Receivables - net	5	**1,162,037,845**	1,516,846,742
Contract assets - net	17	**23,528,427,831**	38,497,094,963
Investments in associates	9	**175,223,528**	175,275,580
Property and equipment - net	10	**13,383,537,827**	12,969,185,066
Right-of-use assets	11	**1,056,006,670**	1,056,794,863
Investment properties - net	12	**22,065,038,021**	21,026,009,305
Other non-current assets - net	13	**880,217,538**	1,565,352,088
Total Non-current Assets		**62,250,489,260**	76,806,558,607
TOTAL ASSETS		**P 139,670,108,220**	P 134,157,309,421
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Interest-bearing loans and borrowings	14	**P 5,284,974,548**	P 6,797,561,915
Bonds Payable	15	**2,763,194,048**	2,763,194,048
Trade and other payables	16	**31,897,615,071**	29,751,973,554
Contract liabilities	17	**303,045,808**	345,034,388
Customers' deposits	17	**112,561,952**	130,665,228
Lease liabilities	11	**71,793,142**	70,824,271
Income tax payable		**17,149,124**	39,229,491
Total Current Liabilities		**40,450,333,693**	39,898,482,895
NON-CURRENT LIABILITIES			
Interest-bearing loans and borrowings	14	**42,695,321,664**	39,976,233,296
Bonds payable	15	**11,116,163,537**	11,111,294,563
Trade and other payables	16	**554,671,741**	566,795,667
Lease liabilities	11	**1,241,292,047**	1,245,462,755
Post-employment defined benefit obligation		**59,610,163**	59,610,163
Deferred tax liabilities - net		**7,001,759,280**	6,572,676,251
Total Non-current Liabilities		**62,668,818,432**	59,532,072,695
Total Liabilities		**103,119,152,125**	99,430,555,590
EQUITY	26		
Equity attributable to shareholders of Parent Company		**23,292,084,264**	22,411,230,806
Non-controlling interest		**13,258,871,832**	12,315,523,025
Total Equity		**36,550,956,096**	34,726,753,831
TOTAL LIABILITIES AND EQUITY		**P 139,670,108,221**	P 134,157,309,421

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 PERIOD ENDED MARCH 31, 2026 AND 2025
(Amounts in Philippine Pesos)

	Notes	Jan to Mar 2026 Unaudited	Jan to Mar 2025 Restated	Jan to Mar 2025 Reported
REVENUES	17			
Sale of real estates		**P 4,978,262,743**	P 4,269,270,073	P 5,805,070,073
Interest income from real estate sales		**797,560,849**	517,979,561	517,979,561
Hotel operations		**119,129,712**	104,569,649	104,569,649
Rental		**60,151,922**	52,731,699	52,731,699
Management fees		**30,850,424**	25,954,269	25,954,269
		5,985,955,650	4,970,505,251	6,506,305,251
COST OF SALES AND SERVICES	18	**(2,926,620,983)**	(2,592,567,374)	(2,981,094,629)
GROSS PROFIT		**3,059,334,667**	2,377,937,877	3,525,210,622
OPERATING EXPENSES	19	**(1,067,539,330)**	(1,026,008,353)	(1,026,008,353)
OTHER OPERATING INCOME	20	**98,577,978**	1,254,023,743	106,750,998
OPERATING PROFIT		**2,090,373,315**	2,605,953,267	2,605,953,267
FINANCE COSTS	21	**(684,972,001)**	(721,816,133)	(721,816,133)
FINANCE INCOME		**58,320,915**	18,093,859	18,093,859
SHARE IN NET LOSS OF ASSOCIATES	9	**(52,055)**	(484,155)	(484,155)
IMPAIRMENT LOSS ON FINANCIAL ASSETS		**(80,039)**	140,181	140,181
OTHER GAINS (LOSSES)	20	**(1,962,015)**	(374,453)	(374,453)
PROFIT BEFORE TAX		**1,461,628,120**	1,901,512,566	1,901,512,566
TAX EXPENSE	24	**(433,925,856)**	(577,038,006)	(577,038,006)
NET PROFIT		**P 1,027,702,264**	P 1,324,474,560	P 1,324,474,560
Net profit attributable to:				
Parent Company's shareholders		**P 880,853,457**	P 995,371,058	P 995,371,058
Non-controlling interests		**146,848,807**	329,103,502	329,103,502
		P 1,027,702,264	P 1,324,474,560	P 1,324,474,560
Earnings per Share:				
Basic and diluted	26	**P 0.25**	P 0.29	P 0.29

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 PERIOD ENDED MARCH 31, 2026 AND 2025
(Amounts in Philippine Pesos)

	Jan to Mar 2026 Unaudited	Jan to Mar 2025 Restated	Jan to Mar 2025 Reported
NET PROFIT	**P 1,027,702,264**	P 1,324,474,560	P 1,324,474,560
OTHER COMPREHENSIVE INCOME (LOSS)			
Item that will not be reclassified subsequently to profit or loss	**-**	-	-
Gain (loss) on remeasurements of post-employment defined benefit plan	**-**		
Tax income (expense)	**-**	-	-
	-	-	-
TOTAL COMPREHENSIVE INCOME	**P 1,027,702,264**	P 1,324,474,560	P 1,324,474,560
Total comprehensive income attributable to:			
Parent Company's shareholders	**P 880,853,457**	P 995,371,058	P 995,371,058
Non-controlling interests	**P 146,848,807**	P 329,103,502	P 329,103,502
	P 1,027,702,264	P 1,324,474,560	P 1,324,474,560

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 PERIOD ENDED MARCH 31, 2026 AND MARCH 31, 2025
(Amounts in Philippine Pesos)

	Attributable to Shareholders of Parent Company											
	Capital Stock (See Note 26)		Additional Paid-in Capital (See Note 26)	Treasury Stock (See Note 26)	Share Options Outstanding (See Note 26)	Revaluation Reserves (See Note 26)	Retained Earnings (See Note 26)			Total	Non-controlling Interests (See Note 26)	Total
	Common	Preferred					Appropriated	Unappropriated	Total			
Balance at January 1, 2026												
As previously reported	**3,623,451,997**	**4,280,340**	**5,855,925,221**	**(732,664,604)**	**7,059,255**	**(43,922,873)**	**4,766,378,338**	**8,930,723,133**	**13,697,101,471**	**22,411,230,807**	**12,315,523,025**	**34,726,753,832**
Transactions with owners												
Non-controlling interests arising from step acquisition											-	-
Investments from non-controlling stockholders	-	-	-	-	-	-	-	-	-	-	**796,500,000**	**796,500,000**
Issuance of preferred shares	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-		-	-	-	-
Stock option granted	-	-	-	-		-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	**796,500,000**	**796,500,000**
Appropriation of retained earnings												
Reversal of appropriations during the year	-	-	-	-	-	-	**(642,500,224)**	**642,500,224**	-	-	-	-
	-	-	-	-	-	-	**(642,500,224)**	**642,500,224**	-	-	-	-
Total comprehensive income for the year												
Net profit for the year	-	-	-	-	-	-	-	**880,853,457**	**880,853,457**	**880,853,457**	**146,848,807**	**1,027,702,264**
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	**880,853,457**	**880,853,457**	**880,853,457**	**146,848,807**	**1,027,702,264**
Balance at March 31, 2026	**P 3,623,451,997**	**P 4,280,340**	**P 5,855,925,221**	**(P 732,664,604)**	**P 7,059,255**	**(P 43,922,873)**	**P 4,123,878,114**	**P 10,454,076,814**	**P 14,577,954,928**	**P 23,292,084,264**	**P 13,258,871,832**	**P 36,550,956,096**
Balance at January 1, 2025												
As previously reported	P 3,623,451,997	P 4,280,340	P 5,855,925,221	(732,664,604)	5,681,640	(P 34,689,866)	P 3,223,719,308	P 8,399,872,293	P 11,623,591,601	P 20,345,576,329	P 9,960,543,018	P 30,306,119,347
Effect of restatement - see Note 2	-	-	-	-	-	-	-	-	-	-	-	-
As restated	3,623,451,997	4,280,340	5,855,925,221	(732,664,604)	5,681,640	(34,689,866)	3,223,719,308	8,399,872,293	11,623,591,601	20,345,576,329	9,960,543,018	30,306,119,347
Transactions with owners												
Issuance of preferred shares	-	-	-	-	-	-	-	-	-	-	-	-
Investments from non-controlling stockholders	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividends	-	-	-	-	-	-	-	-	-	-	(400,000,000)	(400,000,000)
Stock option granted	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	(400,000,000)	(400,000,000)
Appropriation of retained earnings												
Appropriations during the year	-	-	-	-	-	-	-	-	-	-	-	-
Reversal of appropriations during the year	-	-	-	-	-	-	(537,704,084)	537,704,084	-	-	-	-
	-	-	-	-	-	-	(537,704,084)	537,704,084	-	-	-	-
Total comprehensive income for the year												
Net profit for the year	-	-	-	-	-	-	-	995,371,058	995,371,058	995,371,058	329,103,502	1,324,474,560
Other comprehensive loss	-	-	-	-	-		-	-	-	-	-	-
	-	-	-	-	-	-	-	995,371,058	995,371,058	995,371,058	329,103,502	1,324,474,560
Balance at March 31, 2025	P 3,623,451,997	P 4,280,340	P 5,855,925,221	(P 732,664,604)	P 5,681,640	(P 34,689,866)	P 2,686,015,224	P 9,932,947,435	P 12,618,962,659	P 21,340,947,387	P 9,889,646,520	P 31,230,593,907

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 PERIOD ENDED MARCH 31, 2026 AND MARCH 31, 2025
(Amounts in Philippine Pesos)

	Notes	March 2026	March 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**P 1,461,628,120**	P 1,901,512,566
Adjustments for:			
Interest expense on:			
Loans	21	**552,787,313**	411,125,639
Lease liabilities	11	**21,444,613**	20,812,734
Bonds	21	**43,914,699**	119,794,288
Amortized debt issuance cost		**11,844,443**	17,134,679
Depreciation and amortization	19	**75,338,119**	62,772,446
Interest income	4	**(32,406,679)**	(14,818,888)
Share in net losses of associates	9	**52,052**	484,155
Impairment loss on financial assets		**133,398**	(140,181)
Loss (gain) on sale of property and equipment	10	**-**	(5,060)
Operating profit before working capital changes		**2,134,736,078**	2,518,672,378
Decrease (increase) in receivables		**(18,314,572,056)**	(5,525,703,526)
Decrease (increase) in contract assets		**14,779,174,897**	4,487,912,159
Decrease in real estate inventories		**(1,395,331,571)**	2,172,460,989
Increase in prepayments and other current assets		**1,516,583,541**	(383,669,713)
Increase in deposits on land for future development		**(236,413,025)**	(2,845,688,638)
Decrease in other non-current assets		**683,745,529**	37,212,554
Increase (decrease) in trade and other payables		**1,950,119,869**	3,995,583,684
Decrease in contract liabilities		**(41,988,580)**	(830,774,750)
Increase in customers' deposits		**(18,103,276)**	(4,890,754)
Decrease in post-employment defined benefit obligation		**(0)**	(5,800,894)
Cash used in operations		**1,057,951,406**	3,615,313,489
Cash paid for taxes		**(326,339,021)**	(176,417,261)
Net Cash Generated (Used) in Operating Activities		**731,612,385**	3,438,896,228
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisitions of property and equipment		**265,683,181**	(604,785,581)
Acquisitions of investment properties		**(316,365,320)**	(1,173,019,849)
Right of use asset		**(4,099,929)**	-
Advances to related parties	25	**(9,332,918)**	-
Interest received	4	**32,406,679**	14,818,888
Collections of advances to related parties	25	**-**	(413,211)
Proceeds from sale of property and equipment	10	**-**	15,104
Acquisitions of computer software	13	-	(662)
Net Cash Used in Investing Activities		**(31,708,307)**	(1,763,385,311)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from availment of interest-bearing loans - net	14	**7,284,382,682**	4,610,054,857
Repayments of interest-bearing loans	14	**(6,098,998,997)**	(7,729,508,362)
Proceeds from issuances of bonds - net	15	**-**	4,932,678,949
Interest paid on interest-bearing loans		**(1,651,349,262)**	(581,999,150)
Cash dividends paid	26	**-**	(400,000,000)
Repayments of lease liabilities	11	**(24,646,450)**	-
Interest Paid on Lease Liabilities		**-**	(24,622,608)
Additional investment from non-controlling shareholders	25	**796,500,000**	-
Interest paid on bonds		**(219,573,496)**	(82,496,346)
Net Cash From Financing Activities		**86,314,477**	724,107,340
NET INCREASE IN CASH AND CASH EQUIVALENTS		**786,218,555**	2,399,618,257
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**3,040,615,556**	1,583,238,995
CASH AND CASH EQUIVALENTS AT END OF YEAR		**P 3,826,834,111**	P 3,982,857,252

See Notes to Consolidated Financial Statements.

CEBU LANDMASTERS, INC. AND SUBSIDIARIES
(A Subsidiary of A B Soberano Holdings Corp.)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2026 AND 2025
(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 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:

		Effective Percentage of Ownership	
Entities	Note	**2026**	2025
Subsidiaries			
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 Water, Inc. (CWI)	(e)	**100%**	100%
CLI-LITE Panglao Inc. (CLI-LITE)	(f)	**88%**	88%
Ming-mori Development Corporation (MDC)	(g)	**78%**	78%
Sugbo Prime Estate, Inc. (SPE)	(h)	**64%**	64%
CLI Luzon Ventures, Inc. (CLVI)	(i)	**60%**	100%
CLI MAC Developers, Inc. (CLI MAC)	(j)	**60%**	60%

(Forward)

Entities	Note	Effective Percentage of Ownership 2026	2025
Subsidiaries			
CLI NUD Ventures, Inc. (CLI NUD)	(k)	**60%**	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%
Associates			
Iloilo Global City Corporation (IGCC)	(w)	**43%**	43%
ICOM Air Corporation (ICOM)	(x)	**33%**	33%
Magspeak Nature Park, Inc. (Magspeak)	(y)	**25%**	25%

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) 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 March 31, 2026, CWI has yet to start commercial operations.

(f) 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.

(g) 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 March 31, 2026, MDC has yet to start commercial operations.

(h) 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.

(i) CLVI was incorporated in 2025 as an undertaking between CLI and NTT UD Asia Pte. Ltd. (NTTUDA), with the purpose of developing residential and mixed-use projects in Luzon. Its principal place of business is located in Cebu City. As at March 31, 2026, CLVI has yet to start commercial operations.

(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 March 31, 2026, 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. 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 Ixidor Holdings, 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 March 31, 2026, 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 March 31, 2026, 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.

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.

(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 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.

Repossessed property arising from sales cancellation is recognized at cost.

2.5 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.

2.6 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.

2.7 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.

2.8 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.

(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.

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.

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.

2.9 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. SEGMENT INFORMATION

3.1 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.

3.2 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.

3.3 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.

3.4 Intersegment Transactions

Segment revenues, expenses and performance include intersegment sales and purchases. Such sales and purchases are eliminated in consolidation, if any.

3.5 Analysis of Segment Information

The following tables present revenue and profit information regarding industry segments for the years ended March 31, 2026, 2025 and certain assets and liabilities information regarding segments as at March 31, 2026 and 2025:

	2026					
	Real Estate	**Hotel Operations**	**Rental**	**Management Services**	**Elimination**	**Consolidated**
REVENUES						
Sale to external customers	**5,775,823,592**	**119,129,712**	**60,151,922**	**30,850,424**	**–**	**5,985,955,650**
Intersegment sales	**1,850,409**	**8,896,888**	**16,791,025**	**18,467,908**	**(46,006,230)**	**–**
Total revenues	**5,777,674,001**	**128,026,600**	**76,942,947**	**49,318,332**	**(46,006,230)**	**5,985,955,650**
COSTS AND EXPENSES						
Costs of sales and services	**2,797,783,607**	**81,092,543**	**25,554,176**	**23,166,219**	**(975,562)**	**2,926,620,983**
Operating expenses	**995,183,090**	**93,610,516**	**4,641,838**	**1,522,201**	**(27,418,315)**	**1,067,539,330**
Impairment Loss	**–**	**80,039**	**–**	**–**	**–**	**80,039**
Total costs and expenses	**3,792,966,697**	**174,783,098**	**30,196,014**	**24,688,420**	**(28,393,877)**	**3,994,240,352**
Segment results (loss)	**1,984,707,304**	**(46,756,498)**	**46,746,933**	**24,629,912**	**(17,612,353)**	**1,991,715,298**
Other operating income						**98,577,979**
Finance costs						**(684,972,001)**
Share in net loss of associates						**58,320,916**
Finance income						**(52,055)**
Other losses						**(3,991,324)**
Tax expense						**(433,925,856)**
Net profit						**1,027,702,265**
ASSETS AND LIABILITIES						
Segment assets	**133,612,264,543**	**4,304,053,326**	**22,286,488,930**	**177,417,889**	**(18,567,065,470)**	**140,813,159,218**
Segment liabilities	**100,765,671,159**	**3,379,061,440**	**125,324,891**	**24,836,815**	**(2,017,180,560)**	**104,262,203,123**

	2025					
	Real Estate	Hotel Operations	Rental	Management Services	Elimination	Consolidated
REVENUES						
Sale to external customers	6,323,049,635	104,569,648	52,731,699	25,954,269	–	6,506,305,251
Intersegment sales	29,699,989	–	–	57,169,749	(86,869,738)	–
Total revenues	6,352,749,624	104,569,648	52,731,699	83,124,018	(86,869,738)	6,506,305,251
COSTS AND EXPENSES						
Costs of sales and services	2,882,904,729	81,050,273	17,229,612	16,098,602	(16,188,588)	2,981,094,628
Operating expenses	1,014,317,619	60,797,211	4,496,303	(1,716,465)	(51,886,319)	1,026,008,349
Impairment Loss	–	–	–	(140,181)	–	(140,181)
Total costs and expenses	3,897,222,348	141,847,484	21,725,915	14,241,956	(68,074,907)	4,006,962,796
Segment results (loss)	2,455,527,276	(32,277,836)	31,005,784	68,882,062	(18,794,831)	2,499,342,455
Other operating income						106,750,996
Finance costs						(721,816,133)
Share in net loss of associates						(484,155)
Finance income						18,093,860
Other losses						(374,455)
Tax expense						(577,038,006)
Net profit						1,324,474,562
ASSETS AND LIABILITIES						
Segment assets	103,630,677,680	3,773,955,302	20,845,641,307	166,281,543	(12,903,366,845)	115,473,188,987
Segment liabilities	82,229,850,783	3,287,870,590	104,297,333	124,835,800	(1,504,259,425)	84,242,595,081

The segments are further analyzed based on their geographical location as shown in Note 17.1.

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. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components as at March 31:

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Cash on hand	**9,107,521**	7,559,112
Cash in banks	**3,607,562,743**	1,860,554,518
Short-term placements	**210,163,847**	1,172,501,926
	3,826,834,111	3,040,615,556

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 2026 and 2025.

Cash in banks (savings and demand deposits) generally earn interest based on daily bank deposit rates. Interest income earned from cash and cash equivalents amounted to P32,406,678 and P14,818,888 in March 31, 2026 and 2025, respectively, are presented as Finance Income in the consolidated statements of Profit or Loss.

5. RECEIVABLES

This account includes the following:

(Amounts in PHP)	Notes	**March 31, 2026**	December 31, 2025
Contract receivables:			
Third parties	17	**20,227,157,113**	2,689,407,733
Related parties	25.3, 25.4	**2,962,013,507**	2,294,494,227
Retention receivable		**252,852,165**	247,571,464
Management fee receivable		**179,357,259**	164,296,911
Receivable from contractors and suppliers		**165,976,889**	162,431,157
Rent receivable		**140,905,376**	100,498,441
Receivable from hotel operations customers		**80,211,246**	98,557,358
Advances to officers and employees		**79,624,194**	77,061,313
Receivable from insurance		**77,669,806**	67,763,900
Receivable from move-in fees		**69,051,161**	67,373,198
Other receivables		**305,464,356**	256,255,314
		24,540,283,072	6,225,711,016
Allowance for impairment		**(1,314,293)**	(1,180,895)
		24,538,968,779	6,224,530,121

Receivables are presented in the consolidated statements of financial position as follows:

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Current	**23,376,930,934**	4,707,683,379
Non-current	**1,162,037,845**	1,516,846,742
	24,538,968,779	6,224,530,121

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 P106,559,890 and P63,814,805 as at March 31, 2026 and December 31, 2025, respectively.

The Parent Company has day-one loss on noninterest-bearing contract receivables, net of amortization of day one loss, amounting to P43,488,910 and P 152,948,792 and is presented as part of Finance Costs in the 2026 and 2025 consolidated statements of profit or loss, respectively (see Note 21).

Shown below is the aging of contract receivables as of March 31, 2025.

	March 31, 2026
Not yet due	**21,629,024,208**
Not more than 30 days	**77,777,183**
More than 30 days but less than 60 days	**62,907,096**
More than 60 days but less than 90 days	**29,790,535**
More than 90 days but less than 120 days	**40,360,827**
More than 120 days	**1,349,310,771**
	23,189,170,620

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 March 31, 2026 and December 31, 2025 is shown below.

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Balance at beginning of year	**1,180,895**	2,436,656
Impairment losses	**133,398**	1,980,540
Write-off	**-**	(3,236,301)
Balance at end of year	**1,314,293**	1,180,895

6. REAL ESTATE INVENTORIES

This account includes the following inventories, which are all at cost.

(Amounts in PHP)	Note	**March 31, 2026**	December 31, 2025
Condominium units		**725,192,356**	716,166,222
Subdivision units		**249,005,402**	199,582,401
		974,197,758	915,748,623
Construction-in-progress (CIP):			
Land development costs		**12,730,251,154**	12,827,606,197
Condominium building costs		**3,332,298,356**	2,272,836,943
Housing costs		**2,276,577,343**	2,171,437,289
		18,339,126,853	17,271,880,429
Raw land inventory	7	**3,255,337,022**	2,985,701,011
		22,568,661,633	21,173,330,063

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 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.

As at March 31, 2026 and December 31, 2025, real estate inventories totaling to P9,543,711,592 and P7,816,486,575, respectively, are used as collateral for certain interest-bearing loans and borrowings of the Parent Company (see Note 14.1).

Based on management's assessment, there is no allowance for inventory write-down required to be recognized; hence, inventories are recorded at cost as at March 31, 2026 and December 31, 2025.

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.

A reconciliation of the deposits on land for future development is presented below.

(Amounts in PHP)	Note	**March 31, 2026**	December 31, 2025
Balance at beginning of year		**782,304,850**	-
Additions		**236,413,025**	1,098,764,038
Transferred to raw land inventory	6	**-**	(316,459,188)
Balance at end of year		**1,018,717,875**	782,304,850

The deposits on land for future development are presented under Current Assets in the March 31, 2026 consolidated statement of financial position.

8. PREPAYMENTS AND OTHER CURRENT ASSETS

This account includes the following:

(Amounts in PHP)	Note	**March 31, 2026**	December 31, 2025
Deferred commissions		**3,142,185,230**	2,314,807,424
Advances to subcontractors		**1,197,053,371**	3,118,661,804
Input VAT and deferred input VAT		**1,996,773,496**	2,063,658,416
Advances to suppliers		**1,190,922,434**	1,155,578,813
Prepaid taxes		**980,219,336**	1,004,112,964
Restricted escrow fund		**142,140,007**	449,119,013
Short-term investments		**362,600,121**	220,581,011
Prepaid expenses		**215,472,857**	117,560,177
Others		**18,961,418**	19,416,360
		9,246,328,270	10,463,495,982

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 16). 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 March 31, 2026, 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% per annum in 2026 and 2025. 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.

9. INVESTMENTS IN ASSOCIATES AND A JOINT VENTURE/ NON-CURRENT ASSET HELD FOR SALE (NCAHFS)

9.1 Breakdown of Carrying Amounts

A reconciliation of the carrying amounts of investments in associates at the beginning and end of March 31, 2026 and December 31, 2025 is shown below.

(Amounts in PHP)

	March 31, 2026	December 31, 2025
Balance at beginning of year	**175,275,580**	152,506,039
Additional investments	**-**	23,250,000
Share in net profit (loss) during the year	**(52,052)**	(480,459)
Balance at end of year	**175,223,528**	175,275,580

An analysis of the carrying amount of the Parent Company's investments in associates and a joint venture as at March 31, 2026 and December 31, 2025 is shown below.

	Associates			
(Amounts in PHP)	**IGCC**	**Magspeak**	**ICOM**	**Total**
March 31, 2026				
Cost				
Balance at beginning of year	**18,500,000**	**31,235,094**	**153,050,934**	**202,786,028**
Balance at end of year	**18,500,000**	**31,235,094**	**153,050,934**	**202,786,030**
Accumulated equity in net losses				
Balance at beginning of year	**(1,106,021)**	**(5,124,200)**	**(21,280,229)**	**(27,510,448)**
Equity in net gains (losses) during the year	**-**	**(52,052)**	**-**	**(52,052)**
Balance at end of year	**(1,106,021)**	**(5,176,252)**	**(21,280,229)**	**(27,562,500)**
Carrying Amount	**17,393,979**	**26,110,896**	**131,770,705**	**175,223,528**

	Associates			Join Venture	
(Amounts in PHP)	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

Shares in net losses of associates totaling P52,052 and P484,155 were recognized in 2025 and 2024, respectively, in the consolidated statements of profit or loss. There were no dividends received from the Group's associates in 2026 and 2025.

10. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of 2026 and 2025 are shown below.

(Amounts in PHP)	**Land**	**Building and Parking Units**	**Operating Equipment**	**Transportation Equipment**	**Furniture and Fixtures**	**Leasehold Improvements**	**Construction in Progress**	**Total**
March 31, 2026								
Cost	**359,058,133**	**1,500,494,130**	**201,344,052**	**91,665,194**	**57,621,350**	**16,842,695**	**11,671,211,137**	**13,898,236,691**
Accumulated depreciation and amortization	**-**	**(274,766,429)**	**(116,680,488)**	**(61,902,444)**	**(46,176,803)**	**(15,172,700)**	**-**	**(514,698,864)**
Net carrying amount	**359,058,133**	**1,225,727,701**	**84,663,564**	**29,762,750**	**11,444,547**	**1,669,995**	**11,671,211,137**	**13,383,537,827**
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

A reconciliation of the carrying amounts of property and equipment at the beginning and end of 2026 and 2025 is as follows:

(Amounts in PHP)	**Land**	**Building and Parking Units**	**Operating Equipment**	**Transportation Equipment**	**Furniture and Fixtures**	**Leasehold Improvements**	**Construction in Progress**	**Total**
Balance at January 1, 2026 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**
Additions	**-**	**14,360,456**	**14,016,505**	**4,946,429**	**1,125,281**	**-**	**422,140,520**	**456,589,191**
Disposals	**-**	**-**	**(125,818)**	**-**	**-**	**-**	**-**	**(125,818)**
Depreciation and amortization for the year	**-**	**(30,475,832)**	**(7,536,919)**	**(2,507,699)**	**(1,516,038)**	**(74,124)**	**-**	**(42,110,612)**
Balance at March 31, 2026 net of accumulated depreciation and amortization	**359,058,133**	**1,225,727,701**	**84,663,564**	**29,762,750**	**11,444,547**	**1,669,995**	**11,671,211,131**	**13,383,537,821**

(Amounts in PHP)	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	-	-	-	-	-	-	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

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 19).

In 2026 and 2025, the Group disposed of certain property and equipment with carrying amounts of P125,818 and P2,485,595, respectively, for nil and P2,482,758, 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 20.2).

In 2025 the Group reclassified investment property to Building with carrying amounts of P76,232,243. There was no similar transaction in 2026.

Borrowing costs that are capitalized as part of property and equipment amounted to P735,713,832 and P1,174,147,146 in 2026 and 2025, 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 P10,773,369,832 and P10,394,856,952 as at March 31, 2026 and December 31, 2025, respectively, are used as collateral for certain interest-bearing loans of the Group (see Note 14.1).

As at March 31, 2026 and December 31, 2025, the cost of the Group's fully-depreciated property and equipment that are still used in operations amounted to P194,647,841 and P174,176,191 , respectively.

11. 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 2026 and 2025 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
March 31, 2026					
Land	**5**	**2 to 37 years**	**-**	**-**	**-**
Office space	**2**	**2 years**	**1**	**-**	**1**
December 31, 2025					
Land	4	18 to 35 years	-	-	-
Office space	1	1 year	1	-	1

11.1 Right-of-use Assets

The carrying amounts of the Group's right-of-use assets as at March 31, 2026 and December 31, 2025 and the movements during the year are shown as follows:

(Amounts in PHP)	**Land**	**Office Space**	**Total**
March 31, 2026			
Cost	**1,268,208,672**	**15,877,921**	**1,284,086,593**
		4,099,930	**4,099,930**
	1,268,208,672	**19,977,851**	**1,288,186,523**
Accumulated amortization			
Balance at beginning of year	**211,413,810**	**15,877,921**	**227,291,731**
Amortization for the year	**3,692,310**	**1,195,813**	**4,888,123**
Balance at end of year	**215,106,120**	**17,073,734**	**232,179,854**
Carrying amount as at March 31	**1,053,102,552**	**2,904,117**	**1,056,006,669**
December 31, 2025			
Cost	1,268,208,672	15,877,921	1,284,086,593
Accumulated amortization			
Balance at beginning of year	174,997,465	14,585,971	189,583,436
Amortization for the year	36,416,344	1,291,950	37,708,294
Balance at end of year	211,413,809	15,877,921	227,291,730
Carrying amount as at December 31	1,056,794,863	-	1,056,794,863

11.2 Lease Liabilities

Lease liabilities presented in the consolidated statements of financial position as follows:

(Amounts in PHP)	**March 31, 2025**	December 31, 2025
Current	**71,793,142**	70,824,271
Non-current	**1,241,292,047**	1,245,462,755
	1,313,085,189	1,316,287,026

11.3 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 19).

11.4 Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect of leases amounted to P24,646,450, P58,552,832 in March 31, 2026 and 2025, respectively. 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 21).

12. 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 March 31, 2026 and December 31, 2025 are shown below.

(Amounts in PHP)	Retail Building	Condominium Units	Parking Units	Land	Constructions in Progress	Total
March 31, 2026						
Costs	**2,245,590,785**	**812,697,758**	**467,205,706**	**2,079,841,636**	**16,981,212,268**	**22,586,638,962**
Accumulated depreciation	**(246,475,655)**	**(231,295,906)**	**(43,829,380)**	**-**	**-**	**(521,600,941)**
Carrying amount	**1,999,205,939**	**581,401,852**	**423,376,326**	**2,079,841,636**	**16,981,212,268**	**22,065,038,021**
December 31, 2025						
Costs	2,245,590,785	812,697,758	467,205,706	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	2,013,135,109	590,081,067	427,501,679	2,079,841,636	15,915,449,814	21,026,009,305

A reconciliation of the carrying amounts of investment properties at the beginning and end of March 31, 2026 and December 31, 2025 is as shown below:

(Amounts in PHP)	Retail Building	Condominium Units	Parking Units	Land	Constructions in Progress	Total
Balance at January 1, 2026, net of accumulated depreciation	**2,013,135,111**	**590,081,067**	**427,501,678**	**2,079,841,636**	**15,915,449,814**	**21,026,009,306**
Additions	**90,807**	**-**	**-**	**-**	**1,065,762,454**	**1,065,853,261**
Depreciation during the year	**(14,019,979)**	**(8,679,215)**	**(4,125,352)**	**-**	**-**	**(26,824,546)**
Balance at March 31, 2026, net of accumulated depreciation	**1,999,205,939**	**581,401,852**	**423,376,326**	**2,079,841,636**	**16,981,212,268**	**22,065,038,021**
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	-	-	-	-	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	2,013,135,109	590,081,067	427,501,679	2,079,841,636	15,915,449,814	21,026,009,305

In 2025 Group sold certain investment properties with carrying amount of P1,029,108,737 for a total consideration of P2,834,743,566 (see Notes 25.3 and 25.4). The gain on sale amounting to P1,805,634,829 is presented as Gain on sale of investment properties under Other Operating Income in the consolidated statements of profit or loss (see Note 20.1). In 2025, the Group reclassified certain investment properties with aggregate carrying amount of P9,682,090 to real estate inventories (see Note 6) and P76,232,243 to property and equipment (see Note 10). There was no similar transaction in 2026.

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 P757,857,561 and P994,498,830 in March 31, 2026 and December 31, 2025, 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 March 31, 2026 and 2025 are presented below.

(Amounts in PHP)	Notes	**March 31, 2026**	March 31, 2025
Rental income:	17.1	**60,151,922**	52,731,700
Cost of rental services:	18		
Depreciation		**25,554,176**	16,969,297
Others		**-**	260,315
		34,597,746	35,502,088

The depreciation and other expenses are included as part of Cost of Sales and Services in the consolidated statements of profit or loss in 2026 and 2025 (see Note 18).

Investment properties have a total fair value of P23,487,867,829 as at December 31, 2025, respectively, based on the appraisal done by an independent expert. 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 March 31, 2026.

Investment properties with a total carrying amount of P11,490,398,058 and P11,637,470,164 as at March 31, 2026 and December 31, 2025, respectively, are used as collateral for certain interest-bearing loans and borrowings of the Parent Company (see Note 14.1).

13. OTHER NON-CURRENT ASSETS

This account includes the following:

(Amounts in PHP)	Note	**March 31, 2026**	December 31, 2025
Deferred commissions		**332,060,198**	1,019,513,350
Advances to subcontractors		**315,215,329**	315,215,329
Refundable deposits		**208,976,016**	205,268,395
Computer software - net		**13,611,991**	15,001,011
Investment in equity securities		**9,375,002**	-
Others		**979,002**	10,354,003
		880,217,538	1,565,352,088

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 March 31, 2026 and December 31, 2025 are shown below.

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Cost	**68,705,679**	68,705,679
Accumulated amortization	**(55,093,688)**	(53,704,668)
Carrying amount	**13,611,991**	15,001,011

The amortization expense on the computer software amounted to P1,389,020 and P6,389,584 in March 31, 2026 and 2025, 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 consolidated statements of financial position as follows:

(Amounts in PHP)	Note	**March 31, 2026**	December 31, 2025
Current:			
Bank loans	14.1	**4,563,099,549**	5,835,061,916
Corporate notes	14.2	**721,874,999**	962,499,999
		5,284,974,548	6,797,561,915
Non-current:			
Bank loans	14.1	**34,226,757,894**	31,512,615,657
Corporate notes	14.2	**8,468,563,770**	8,463,617,639
		42,695,321,664	39,976,233,296
		47,980,296,212	46,773,795,211

14.1 Bank Loans

An analysis of the movements in the balance of interest-bearing loans is presented below.

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Balance at beginning of year	**37,347,677,573**	34,877,244,105
Net proceeds from issuance	**7,284,382,682**	27,726,936,137
Repayments	**(5,858,373,997)**	(25,344,403,014)
Amortization of debt issue costs	**16,171,185**	87,900,345
Balance at end of year	**38,789,857,443**	37,347,677,573

A reconciliation of the unamortized debt issue cost at the beginning and end of 2026 and 2025 is shown below.

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Balance at beginning of year	**96,476,532**	150,494,327
Debt issue costs from new loans	**33,882,550**	33,882,550
Amortization of debt issue cost	**(16,171,185)**	(87,900,345)
Balance at end of the year	**114,187,897**	96,476,532

The loans bear interest rates per annum ranging from 5.00% to 8.75% in 2026 and from 5.50% to 9.25% in 2025. Certain loans are collateralized by the specific projects and developments for which the loans were obtained. The carrying amount of such projects aggregating to P30,080,254,465 and P29,848,813,691 as at as at March 31, 2026 and December 31, 2025, respectively, are included in the Real Estate Inventories, Property and Equipment and Investment Properties accounts in the consolidated statements of financial position (see Notes 6, 10 and 12).

The total interest incurred from the foregoing loans, including amortization of debt issuance cost, amounted to P1,616,067,548 and P554,366,818 in 2026 and 2025, respectively, and of which P1,225,520,065 and P172,653,747 were capitalized as part of investment properties and property and equipment in 2026 and 2025, respectively (see Notes 10 and 12). The remaining interest was recognized as part of Finance Costs in 2026 and 2025 (see Note 21).

14.2 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
				3,000,000,000
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
				8,000,000,000
2019	Series A	7.25%	January 2026	2,000,000,000
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
				3,000,000,000

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.

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Balance at beginning of year	**9,426,117,638**	9,774,835,826
Net proceeds from issuance	**-**	2,964,542,666
Repayments	**(240,625,000)**	(3,337,500,000)
Amortization of debt issue cost	**4,946,131**	24,239,146
Balance at end of the year	**9,190,438,769**	9,426,117,638

A reconciliation of the unamortized debt issue costs of corporate notes at the beginning and end of 2026 and 2025 is shown below.

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Balance at beginning of year	**64,060,933**	52,842,745
Debt issue costs from new notes	**-**	35,457,334
Amortization of debt issue costs	**(4,946,131)**	(24,239,146)
Balance at end of the year	**59,114,802**	64,060,933

The debt issuance costs are deducted from the fair value or issue price of the note.

The total interest incurred related to the NFA, including amortization of debt issuance cost, amounted to P118,398,776 and P105,204,415in 2026 and 2025 respectively, of which P106,534,378 and P62,824,316 was capitalized as part of property and equipment and investment properties in 2026 and 2025 respectively (see Notes 10 and 12).

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 March 31, 2026 and December 31, 2025, the Parent Company is compliant with the requirements.
The total interest expense related to the above loans, which are included as part of Finance Costs in the consolidated statements of profit or loss, amounted to P559,762,783 and P424,093,169 in March 31, 2026 and 2025, respectively (see Note 21).

15. BONDS PAYABLE

The outstanding balance of bonds payable are presented in the consolidated statements of financial position as follows:

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Current	**2,763,194,048**	2,763,194,048
Non-current	**11,116,163,537**	11,111,294,563
	13,879,357,585	13,874,488,611

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
						5,000,000,000
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
						5,000,000,000
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
						4,005,190,000
						14,005,190,000

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.

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Balance at beginning of year	**13,874,488,611**	4,964,768,926
Net proceeds from issuance	**-**	8,876,780,500
Amortization of debt issue costs	**4,868,974**	32,939,185
Balance at end of year	**13,879,357,585**	13,874,488,611

A reconciliation of the unamortized debt issue cost at the beginning and end of 2026 and 2025 is shown below.

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Balance at beginning of year	**130,701,389**	35,231,074
Debt issue costs from new bonds	**-**	128,409,500
Amortization of debt issue costs	**(4,868,974)**	(32,939,185)
Balance at end of the year	**125,832,415**	130,701,389

The total interest incurred related to the bonds, including amortization of debt issue costs, amounted to P224,442,470 and P651,536,118 in 2026 and 2025 respectively, of which P175,658,597 and P498,746,856 was capitalized as part of property and equipment and investment properties in 2026 and 2025 respectively (see Notes 10 and 12). The remaining interest was recognized as part of Finance Costs in 2026 and 2025 (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 March 31, 2026 and December 31, 2025.

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 March 31, 2026, the Parent Company is compliant with the requirements.

16. TRADE AND OTHER PAYABLES

The trade and other payables are composed of the following:

(Amounts in PHP)	Notes	**March 31, 2026**	December 31, 2025
Current:			
Unbilled construction costs		**14,418,853,407**	14,071,158,248
Trade payables		**7,991,158,236**	6,161,191,185
Sales commissions payable		**4,848,370,991**	4,610,338,653
Retention payable		**1,433,413,002**	1,375,697,872
Accrued expenses	14	**892,206,245**	570,807,565
Redeemable preferred shares	8	**796,500,000**	1,593,000,000
Dividends payable	26.6	**254,555,032**	339,406,706
Government-related obligations		**98,435,231**	105,207,518
Output VAT		**81,512,080**	98,483,259
Other payables		**1,082,610,847**	826,682,548
		31,897,615,071	29,751,973,554

Non-current		
Retention payable	**479,428,612**	479,428,609
Advance rental	**72,575,020**	69,132,246
Other payables	**2,668,109**	18,234,812
	554,671,741	566,795,667
	32,452,286,812	30,318,769,221

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 P796,500,000 . 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. As at March 31, 2026, the redeemable shares remain outstanding pending customary regulatory approvals from the appropriate authorities.

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

17. REVENUE FROM CONTRACTS WITH CUSTOMERS AND CONTRACT BALANCES

17.1 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 period March 31, 2026 and March 31, 2025:

(Amounts in PHP)	**Cebu**	**Mindanao**	**Visayas**	**Luzon**	**Total**
March 31,2026					
Sale of real estates					
Over time	**1,214,865,196**	**591,401,807**	**2,939,959,573**	**213,370,286**	**4,959,596,862**
Point of time	**598,510,976**	**194,761,541**	**22,424,213**	**530,000**	**816,226,730**
	1,813,376,172	**786,163,348**	**2,962,383,786**	**213,900,286**	**5,775,823,592**
Hotel operations					
Over time	**74,792,250**	**-**	**44,337,462**	**-**	**119,129,712**
Lease of properties					
Over time	**52,712,517**	**7,439,405**	**-**	**-**	**60,151,922**
Render of management services					
Over time	**30,850,424**	**-**	**-**	**-**	**30,850,424**
	1,971,731,363	**793,602,753**	**3,006,721,248**	**213,900,286**	**5,985,955,650**

March 31,2025					
Sale of real estates					
Over time	1,843,904,071	1,796,204,439	580,231,745	125,363,763	4,345,704,018
Point of time	174,332,411	36,060,664	229,802,541	1,350,000	441,545,616
	2,018,236,482	1,832,265,103	810,034,286	126,713,763	4,787,249,634
Hotel operations					
Over time	66,257,919	-	38,311,730	-	104,569,649
Lease of properties					
Over time	48,544,460	4,187,239	-	-	52,731,699
Render of management services					
Over time	22,175,654	2,715,738	1,062,877	-	25,954,269
Lot Sale					
Over time	-	1,535,800,000	-	-	1,535,800,000
	2,115,214,515	3,374,968,080	849,408,893	126,713,763	6,506,305,251

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.

17.2 Contract Balances

The breakdown of contract balances is as follows:

(Amounts in PHP)

	March 31, 2026	December 31, 2025
Contract assets - net	**40,822,846,932**	55,602,021,829
Contract Liabilities	**(303,045,808)**	(345,034,388)
	40,519,801,124	55,256,987,441

The Group's contract assets as at March 31, 2026 and December 31, 2025 are presented in the consolidated statements of the financial position as follows:

(Amounts in PHP)

	March 31, 2026	December 31, 2025
Current	**17,294,419,101**	17,104,926,866
Non-current	**23,528,427,831**	38,497,094,963
	40,822,846,932	55,602,021,829

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.

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 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.

A summary of the Group's contract liabilities and customers' deposits is presented below.

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Contract liabilities	**303,045,808**	345,034,388
Customers' deposits	**112,561,952**	130,665,228
	415,607,760	475,699,616

18. COST OF SALES AND SERVICES

Components of costs of sales and services are analyzed below (see Note 19).

(Amounts in PHP)	Notes	**March 31, 2026**	March 31, 2025
Cost of real estate sales:			
Contracted services	19	**2,299,524,553**	1,947,971,744
Land	19	**382,815,565**	802,631,224
Other costs		**114,467,927**	116,113,174
		2,796,808,045	2,866,716,142
Cost of rental services:			
Depreciation		**25,554,176**	16,969,297
Others	12	**-**	260,315
		25,554,176	17,229,612
Cost of management services:			
Salaries and wages		**23,166,219**	16,098,602
		23,166,219	16,098,602
Cost of hotel operations:			
Salaries and wages		**27,864,457**	18,991,028
Materials and supplies		**24,971,676**	15,934,658
Utilities		**17,688,470**	12,496,384
Others		**10,567,940**	33,628,203
		81,092,543	81,050,273
		2,926,620,983	2,981,094,629

19. COSTS AND EXPENSES BY NATURE

Details of costs and expenses by nature are shown below.

(Amounts in PHP)	Notes	**March 31, 2026**	March 31, 2025
Contracted services	18	**2,363,921,333**	2,024,082,670
Land	18	**382,815,565**	802,631,224
Commissions	8	**307,556,310**	345,579,694
Taxes and licenses		**248,337,072**	235,903,760
Salaries and employee benefits	23.1	**217,262,903**	182,484,114
Hotel operations		**81,092,543**	81,050,273

Depreciation and amortization	10, 11, 12, 13	**71,786,063**	46,818,750
Advertising		**39,933,672**	40,663,556
Utilities		**37,751,081**	26,806,870
Security services		**28,176,174**	22,407,592
Professional and legal fees		**27,822,262**	4,432,036
Repairs and maintenance		**24,242,706**	24,551,612
Transportation and travel		**13,415,481**	11,632,360
Rent	11.3, 28.2	**11,727,772**	8,740,052
Insurance		**11,632,260**	5,796,187
Donations		**10,503,702**	10,208,589
Subscription and membership dues		**9,670,213**	5,077,108
Penalties		**7,600,241**	4,389,363
Management fee		**6,682,980**	5,701,795
Supplies		**6,417,381**	9,447,482
Representation and entertainment		**6,002,504**	5,449,788
Association dues		**5,708,000**	5,108,963
Communications		**5,343,965**	2,887,336
Move in fee expenses		**3,861,800**	(711,778)
Trainings and seminars		**17,081**	379,109
Others		**64,879,250**	95,584,473
		3,994,160,314	4,007,102,982

These costs and expenses are classified in the consolidated statements of profit or loss as follows:

(Amounts in PHP)	Note	**March 31, 2026**	March 31, 2025
Cost of sales and services	18	**2,926,620,983**	2,981,094,629
Operating expenses	19	**1,067,539,330**	1,026,008,353
		3,994,160,313	4,007,102,982

20. OTHER OPERATING INCOME AND OTHER LOSSES

20.1 Other Operating Income

This account is composed of the following:

(Amounts in PHP)	**March 31, 2026**	March 31, 2025
Refund from cancelled units	**32,750,603**	61,350,553
Utilities charged to tenants	**12,178,888**	5,036,710
Documentation fee	**7,638,214**	9,013,393
Water income	**6,206,892**	5,395,639
Foreign exchange gains	**4,809,485**	117,851
Move-in fee income	**3,113,927**	9,337,677
Parking	**2,271,432**	2,098,988
Service Income	**1,978,990**	294,250
Administrative charges	**1,518,219**	2,748,495
Scrap sales	**1,380,593**	772,594

Zonal value incremental tax	**1,221,667**	1,664,550
Referral incentive	**970,155**	1,457,831
Late payment penalties charged to customers	**795,246**	2,236,292
Sponsorships charged to buyers	**773,661**	776,786
Others	**20,970,005**	4,449,389
	98,577,977	106,750,998

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.

20.2 Other Losses

This account is composed of the following:

(Amounts in PHP)	**March 31, 2026**	March 31, 2025
Foreign exchange losses	**39,968**	379,514
Loss (gain) on sale of assets – net	**-**	(5,061)
Provision for extraordinary losses	**(2,001,983)**	
	(1,962,015)	374,453

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:

(Amounts in PHP)	Notes	**March 31, 2026**	March 31, 2025
Interest expense on:			
Loans	14.1	**552,787,313**	411,125,639
Lease liabilities	11.2	**21,444,613**	20,812,734
Bonds	15	**43,914,699**	119,794,289
Retirement obligation		**6,042**	
Day one loss, net of amortization	5	**43,488,910**	152,948,792
Amortized debt issue costs		**11,844,443**	17,134,679
DST on borrowings		**11,485,982**	-
		684,972,002	721,816,133

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:

(Amounts in PHP)	Notes	**March 31, 2026**	March 31, 2025
Interest income on banks	4, 8	**32,406,679**	14,818,888
In-house financing		**25,898,767**	3,206,256
Discounting of long-term receivables		**15,470**	14,715
		58,320,916	18,093,859

23. EMPLOYEE BENEFITS

23.1 Salaries and Employee Benefits

Expenses recognized for salaries and employee benefits amounts to P217,262,903 and P182,484,114 in March 31, 2026 and 2025, respectively (see Note 19)

23.2 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) 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.

24. 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 one and four registered projects with BOI as of March 31, 2026 and December 31, 2025, respectively.

The components of tax expense relating to profit or loss and other comprehensive income or loss are as shown below. *(Amounts in PHP)*

(Amounts in PHP)	**March 31, 2026**	March 31, 2025
Reported in profit or loss:		
Current tax expense:		
Regular corporate income tax (RCIT) at 25%	**56,018,632**	359,857,653
Final income tax	**6,481,036**	2,774,979
Minimum corporate income tax (MCIT)	**2,963,390**	282,041
	65,463,058	362,914,673
Deferred tax expense arising from – origination and reversal of temporary differences	**368,462,799**	214,405,373
	433,925,857	577,320,046

As of March 31, 2026, the CPH, EL CAMINO, YES, YHES, CLBRV, SPE, CLI-LITE, are subject to MCIT which is computed at 2% of gross income net of allowable deductions. 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 P2,963,390 and P286,676 for the periods March 31, 2026 and 2025, 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 quarters ended March 31, 2026 and 2025.

25. 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	
		March 31, 2026	December 31, 2025	**March 31, 2026**	December 31, 2025
Ultimate Parent Company					
Sale of investment properties	25.3	**293,486,607**	587,907,786	**1,110,044,196**	1,397,637,514
Sale of condominium units	25.3	**-**	534,932,583	**544,086,140**	524,120,797
Cancellation of sales	25.3	**-**	-	**-**	-
Dividends paid	25.2	**-**	413,207,837	**-**	-
Entities under Common Ownership					
Advances (collections)	25.1	**9,593,548**	24,449,497	**88,145,006**	78,551,458
Associates and Joint Venture					
Real estate sales	25.5	**-**	-	**-**	-
Advances (collections)	25.1	**(260,629)**	519,273	**(417,969)**	(157,340)
Key Management Personnel					
Sale of investment properties	25.4	**-**	485,352,679	**475,645,625**	475,645,625
Sale of condominium units	25.4	**830,891,727**	818,605,241	**832,237,546**	799,350,563
Dividends paid	25.2	**-**	66,925,892	**-**	-
Compensation	25.6	**20,960,830**	187,685,851	**-**	-

Based on management's assessment, no impairment loss is required to be provided on the Group's receivables from related parties as at March 31, 2026, and December 31, 2025. 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.

25.1 Due from Related Parties

The Group grants cash advances to shareholders, entities under common ownership and associates. An analysis of such advances is presented below.

(Amounts in PHP)	Entities Under Common Ownership	Associates	Total
Balance at January 1, 2026	**78,551,458**	**(157,340)**	**78,394,118**
Additions	**9,593,548**	**(260,629)**	**9,332,918**
Balance at March 31, 2026	**88,145,006**	**(417,969)**	**87,727,036**
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

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.

25.2 Cash Dividends

The amounts of cash dividends paid by the Company to the following related parties are as follow:

(Amounts in PHP)	**2026**	2025
Ultimate Parent Company	-	413,207,837
Key Management Personnel	-	66,925,892
	-	480,133,729

The were no outstanding balances arising from these cash dividends as at March 31, 2026 December 31, 2025.

25.3 Real Estate Sales to Ultimate Parent Company

In, 2026, the Group cancelled the sale of parcels of land sold in 2025. 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 consolidated statements of profit or loss (see Note 20.1).

As at March 31, 2026 and December 31, 2025, the outstanding balance from these transactions amounted to P1,110,044,196 and P1,397,637,514 , 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 5).

In 2025 CLI sold condominium units to ABS amounting to P534,932,583. 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 March 31, 2026, the outstanding balance amounted to P544,086,140, which is presented as part of Contract Assets in the consolidated statement of financial position (Note 17.2).

Further in 2023, the Group cancelled the sale of a single floor at Baseline HQ made to ABS in December 2017.

25.4 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 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 consolidated statements of profit or loss (see Note 20.1).

26. EQUITY

26.1 Capital Stock

Details of the Parent Company's authorized capital stock as of March 31,2026 and December 31,2025 are as follows:

	Shares		Amounts in PHP	
	2026	2025	**2026**	2025
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	**2,000,000,000**	2,000,000,000	**1,100,000,000**	1,100,000,000
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	**4,280,340**	4,280,340	**4,280,340**	4,280,340
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	**3,465,201,467**	3,465,201,467	**2,890,787,393**	2,890,787, 393

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 Group classified the preferred shares as equity securities, as such discretion allows the Group to defer principal and dividend payments indefinitely.

The share price of the Parent Company's common stock closed at P2.37 per share on March 31, 2026 and P2.35 per share on December 31, 2025, the last trading day in the PSE for 2026 and 2025 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.

26.2 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.

26.3 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 26.4).

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 26.4).

As of March 31, 2026 and December 31, 2025, the Group 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 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 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 Parent Company's shares.

26.5 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.

(Amounts in PHP)	Notes	**March 31, 2026**	December 31, 2025
Balance at beginning of year		**(43,922,873)**	(34,689,808)
Other comprehensive loss:			
Loss on remeasurement of post-employment defined benefit obligation	23.3	**-**	(12,310,753)
Tax income (expense)	24	**-**	3,077,688
		-	(9,233,065)
Balance at end of year		**(43,922,873)**	(43,922,873)

26.6 Retained Earnings

(a) Cash Dividends

Date of Declaration	Record Date	Payment Date	Total Cash Dividends in PHP	Dividend Per Share in PHP
2025				
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	

(b) Appropriated Retained Earnings Releases

In 2026 and 2025, the Parent Company reversed certain appropriations made in previous years amounting to P642,500,224 and P1,693,661,345, 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.

26.1 Non-controlling Interests

The subsidiaries of the Group with significant NCI as at March 31, 2026 and December 31, 2025 are as follows.

(Amounts in PHP)	**NCI Ownership %**		**NCI Equity in Subsidiaries**	
Subsidiaries	**2026**	2025	**2026**	2025
YHEST	**50%**	50%	**4,957,502,035**	4,869,847,679
CHDI	**50%**	50%	**2,610,228,600**	2,598,519,983
El Camino	**65%**	65%	**914,735,626**	913,811,545
YHES	**50%**	50%	**702,801,838**	723,946,776
CBLRV	**50%**	50%	**610,704,260**	562,535,798
GGTT	**50%**	50%	**457,784,562**	442,335,971
CLI-LITE	**12%**	12%	**270,386,171**	240,669,176
CCLI	**50%**	50%	**61,101,469**	87,968,821
YES	**50%**	50%	**79,432,077**	89,461,966
MDC	**22%**	22%	**79,464,906**	79,501,359
MGR	**55%**	55%	**32,598,930**	33,478,145
SPE	**36%**	36%	**20,657,906**	25,433,229
BL Ventures	**50%**	50%	**77,626,930**	79,973,392
CLI MAC	**40%**	40%	**148,215,419**	148,163,103
CLI NUD	**40%**	40%	**1,437,201,361**	1,419,876,083
CLVI	**40%**	0%	**798,429,742**	-
			13,258,871,832	12,315,543,027

The analysis of the movement of NCI as at March 31, 2026 and December 31, 2025 are as follows:

(Amounts in PHP)	Note	**March 31, 2026**	December 31, 2025
Balance at beginning of year		**12,315,523,025**	9,960,543,018
Consolidation through step acquisition		**-**	1,415,278,385
Share in net profit during the year		**146,848,807**	992,888,942
Dividends		**-**	(854,000,000)
New and additional investments		**796,500,000**	800,812,680
Balance at end of year		**13,258,871,832**	12,315,523,025

There are no dividends for the first quarter of 2026. The dividends came from El Camino and YHEST in 2025

27. EARNINGS PER SHARE

EPS is computed as follows:

(Amounts in PHP)	**March 31, 2026**	March 31, 2025
Net profit attributable to Parent	**880,853,457**	995,371,058
Income available to common stockholders	**880,853,457**	995,371,058
Divided by weighted average number of outstanding common shares	**3,465,201,467**	3,465,201,467
Basic and diluted EPS	**0.25**	0.29

Aside from the employee share options, there were no instruments that could potentially dilute basic earnings per share in March 31, 2026 and 2025, hence basic EPS if the same as diluted EPS.

28. COMMITMENTS AND CONTINGENCIES

28.1 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 12). 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.

(Amounts in PHP)	**March 31, 2026**	March 31, 2025
Within one year	**222,405,409**	139,522,074
Within one but not more than 5 years	**666,162,523**	668,000,920
More than five years	**573,328,006**	446,823,610
	1,461,895,939	1,254,346,604

None of the rental income in 2026 and 2025 are related to variable lease payments.

28.2 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 19).

As at March 31, 2026, 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.

28.3 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 P303,045,808 and P345,034,388 as at March 31, 2026 and December 31, 2025, respectively, when it collects more than it is entitled to based on the stage of completion of the project development (see Note 17.2).

28.4 Others

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 March 31,2026 and 2025, 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.

29. 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 30. 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.

29.1 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.

29.2 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.

(Amounts in PHP)	Notes	**March 31, 2026**	December 31, 2025
Cash and cash equivalents	4	**3,826,834,111**	3,040,615,556
Receivables*	5	**24,459,344,585**	6,147,468,808
Contract assets	17.2	**40,822,846,932**	55,602,021,829
Due from related parties	25.1	**87,727,036**	78,394,118
Restricted escrow fund	8	**-**	449,119,013
Short-term investments	8	**362,600,121**	220,581,011
Refundable deposits	13	**208,976,016**	205,268,395
		69,768,328,801	65,743,468,730

**Receivables excludes advances to officers and employees.*

(b) 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 March 31, 2026 and December 31, 2025 is shown below.

	Neither past due not impaired			Past due but	Individually	
	High grade	Standard grade	Unrated	not impaired	impaired	Total
(Amounts in PHP)						
2026						
Cash and cash equivalents	**3,826,834,111**	**-**	**-**	**-**	**-**	**3,826,834,111**
Receivables:						
Contract	**-**	**21,629,024,208**	**-**	**1,560,146,412**	**-**	**23,189,170,620**
Others	**-**		**1,268,859,672**	**-**	**1,314,293**	**1,270,173,965**
Contract assets	**-**	**40,822,846,932**	**-**	**-**	**-**	**40,822,846,932**
Due from related parties	**-**	**-**	**87,727,036**	**-**	**-**	**87,727,036**
Restricted escrow fund	**-**	**-**	**-**	**-**	**-**	**-**
Short-term investments	**362,600,121**	**-**	**-**	**-**	**-**	**362,600,121**
Refundable deposits	**-**	**-**	**208,976,016**	**-**	**-**	**208,976,016**
	4,189,434,232	**62,451,871,140**	**1,565,562,724**	**1,560,146,412**	**1,314,293**	**69,768,328,801**
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

29.3 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	
(Amounts in PHP)	Within Six Months	Six to 12 Months	One to Five Years	More than Five Years
March 31, 2026				
Interest-bearing loans and borrowings	**6,396,075,210**	**3,370,313,371**	**27,201,320,646**	**11,185,889,684**
Bonds payable	**2,766,260,000**	**-**	**10,023,630,000**	**1,215,300,000**
Trade and other payables*	**26,981,727,753**	**1,230,340,771**	**4,492,812,048**	**-**
	36,144,062,963	**4,600,654,142**	**41,717,762,694**	**12,401,189,684**
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

** 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 consolidated statements of financial position are shown below.

		2026		2025	
(Amounts in PHP)	Notes	**Carrying Amount**	**Fair Value**	Carrying Amount	Fair Value
Financial Assets					
At amortized cost:					
Cash and cash equivalents	4	**3,826,834,111**	**3,826,834,111**	3,040,615,556	3,040,615,556
Receivables - net[1]	5	**24,459,344,585**	**24,459,344,585**	6,147,468,808	6,147,468,808
Due from related parties	25.1	**87,727,036**	**87,727,036**	78,394,118	78,394,118
Restricted escrow fund	8	**-**	**-**	449,119,013	449,119,013
Short-term investments	8	**362,600,121**	**362,600,121**	220,581,011	220,581,011
Refundable deposits	13	**208,976,016**	**208,976,016**	205,268,395	205,268,395
		28,945,481,869	**28,945,481,869**	10,141,446,901	10,141,446,901

Financial Liabilities					
At amortized cost:					
Interest-bearing loans and borrowings	14	**48,153,598,911**	**48,153,598,911**	46,773,795,211	47,811,285,919
Bonds payable	15	**14,005,190,000**	**14,005,190,000**	13,874,488,611	14,481,548,887
Trade and other payables[2]	16	**32,199,764,481**	**32,199,764,481**	30,045,946,198	30,045,946,198
		94,358,553,392	**94,358,553,392**	90,694,230,020	92,338,781,004

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 Group'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 consolidated statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

	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		
(Amounts in PHP)	**Financial assets**	**Financial assets set-off**		**Financial instruments**	**Cash collateral received**	**Net amount**
March 31, 2026						
Cash and cash equivalents	**3,826,834,111**	**-**	**3,826,834,111**	**3,817,726,590**	**-**	**9,107,521**
December 31, 2025						
Cash and cash equivalents	3,040,615,556	-	3,040,615,556	3,011,920,892	-	7,559,112

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:

	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		
(Amounts in PHP)	**Financial liabilities**	**Financial liabilities set-off**		**Financial instruments**	**Cash collateral received**	**Net amount**
March 31, 2026						
Interest-bearing loans	**48,153,598,911**	-	**48,153,598,911**	**3,817,726,590**	-	**44,335,872,321**
December 31, 2025						
Interest-bearing loans	46,773,795,211	-	46,773,795,211	3,011,920,892	-	43,761,874,319

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.

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:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

(b) 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,

(c) 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 2026 and 2025 consolidated statements of financial position, but for which fair value is disclosed (see Note 30.1).

(Amounts in PHP)	Level 1	Level 2	Level 3	Total
2026				
Financial assets:				
Cash and cash equivalents	**3,826,834,111**	**-**	**-**	**3,826,834,111**
Receivables – net[1]	**-**	**-**	**24,459,344,585**	**24,459,344,585**
Due from related parties	**-**	**-**	**87,727,036**	**87,727,036**
Short-term investments	**362,600,121**	**-**	**-**	**362,600,121**
Refundable deposits	**-**	**-**	**208,976,016**	**208,976,016**
	4,189,434,232	**-**	**24,756,047,637**	**28,945,481,869**

Financial liabilities:				
Interest-bearing loans	-	-	**48,153,598,911**	**48,153,598,911**
Bonds payable	-	-	**14,005,190,000**	**14,005,190,000**
Trade and other payables	-	-	**32,199,764,481**	**32,199,764,481**
	-	**-**	**94,358,553,392**	**94,358,553,392**
2025				
Financial assets:				
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
Financial liabilities:				
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

[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 March 31, 2026.

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 as at March 31, 2026 (see Note 12).

(Amounts in PHP)	**Level 1**	**Level 2**	**Level 3**	**Total**
Investment Property		4,679,673,200	19,346,714,509	**24,026,387,709**

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 periods ended March 31, 2026 and December 31, 2025.

31. 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:

(Amounts in PHP)	**March 31, 2026**	December 31, 2025
Total interest-bearing loans and borrowings and bonds payable	**61,859,653,797**	60,648,283,822
Total equity	**36,550,956,038**	34,726,753,831
Debt-to-equity ratio	**1.69:1.00**	1.75:1.00

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 14 and 15). The Group has complied with its covenant obligations for both periods ended March 31, 2026 and December 31, 2025.

SECURITIES AND EXCHANGE COMMISSION
THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph

The following document has been received:

Receiving: ICTD ERMD
Receipt Date and Time: April 15, 2026 02:06:27 PM

Company Information

SEC Registration No.: CS200321240
Company Name: CEBU LANDMASTERS, INC.
Industry Classification: K70110
Company Type: Stock Corporation

Document Information

Document ID: OST104152026811223334
Document Type: Financial Statement
Document Code: FS
Period Covered: December 31, 2025
Submission Type: Consolidated
Remarks: None

Acceptance of this document is subject to review of forms and contents

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	,			
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	Department requiring the report	Secondary License Type, If Applicable
AFS25	SEC	

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
jggarde@cebulandmasters.com	(032) 231 4870	N/A

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
21	1st Friday of July	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Jose R. Soberano III	ceo@cebulandmasters.com	(032) 231 4870	

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.

CEBULANDMASTERS
We Build with You in Mind

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.

[redacted]

Jose R. Soberano III
Chairman of the Board, Chief Executive Officer and President
TIN: [redacted]

[redacted]

Ma. Rosario B. Soberano
Executive Vice President and Treasurer
TIN: [redacted]

[redacted]

Paquita Tigue-Rafols
Chief Financial Officer
TIN: [redacted]

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. [redacted]

Doc No. 241;
Page No. 70;
Book No. 15;
Series of 2026

ATTY LARRY G. 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-0033030, issued on 05-09-2025
PTR No. 5560269, 12-12-2025, Cebu Province
IBP No. 387656, 01-05-2026, Cebu Chapter
Block 1, Lot11, San Josemaria Village, Maghaway,
[redacted]

P&A Grant Thornton

FOR SEC FILING

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)

Punongbayan & Araullo (P&A) is the Philippine member firm of Grant Thornton International Ltd

P&A
Grant Thornton

Punongbayan & Araullo
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Report of Independent Auditors

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 [redacted]
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)

	Notes	2025	December 31, 2024 (As Restated – see Note 2)	January 1, 2024 (As Restated – see Note 2)
A S S E T S				
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
		57,350,750,814	47,402,920,410	52,785,208,234
Non-current asset held-for-sale	10	**-**	237,832,347	-
Total Current Assets		**57,350,750,814**	47,640,752,757	52,785,208,234
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		**76,806,558,607**	61,361,772,085	47,662,866,085
TOTAL ASSETS		**P 134,157,309,421**	P 109,002,524,842	P 100,448,074,319
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		**39,898,482,895**	31,627,957,820	34,999,214,802
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		**59,532,072,695**	47,068,447,617	41,995,748,440
Total Liabilities		**99,430,555,590**	78,696,405,437	76,994,963,242
EQUITY	27			
Equity attributable to shareholders of Parent Company		**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		**34,726,753,831**	30,306,119,405	23,453,111,077
TOTAL LIABILITIES AND EQUITY		**P 134,157,309,421**	P 109,002,524,842	P 100,448,074,319

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)

	Notes	2025	2024 (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
		18,517,428,402	18,647,297,898	18,818,413,368
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		**P 4,029,541,777**	P 3,997,848,977	P 3,835,669,997
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		**992,888,942**	987,939,489	1,040,710,844
		P 4,029,541,777	P 3,997,848,977	P 3,835,669,997
Earnings per Share –				
Basic and diluted	28	**P 0.78**	P 0.72	P 0.81
Dividends Declared per Share:	27			
Common shares		**P 0.18**	P 0.18	P 0.18
Preferred shares:				
Series A-1 (CLIA1)		**P 75.84**	P 113.77	P -
Series A-2 (CLIA2)		**P 82.52**	P 123.78	P -

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)

	Notes	2025	2024	2023
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	**3,077,688**	5,467,195	1,459,241
		(9,233,065)	(16,401,584)	(4,377,723)
TOTAL COMPREHENSIVE INCOME		**P 4,020,308,712**	P 3,981,447,393	P 3,831,292,274
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		**992,888,942**	987,939,489	1,040,710,844
		P 4,020,308,712	P 3,981,447,393	P 3,831,292,274

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										
	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	Non-controlling Interests (see Note 27)	Total
						Appropriated	Unappropriated	Total			
Balance at January 1, 2025	₱ 3,627,732,337	₱ 5,855,925,221	(₱ 732,664,604)	₱ 5,681,640	(₱ 34,689,808)	₱ 3,223,719,308	₱ 8,399,872,293	₱ 11,623,591,601	₱ 20,345,576,387	₱ 9,960,543,018	₱ 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	-	-	(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	₱ 3,627,732,337	₱ 5,855,925,221	(₱ 732,664,604)	₱ 7,059,255	(₱ 43,922,873)	₱ 4,766,378,338	₱ 8,930,723,133	₱ 13,697,101,471	₱ 22,411,230,806	₱ 12,315,523,025	₱ 34,726,753,831
Balance at January 1, 2024	₱ 3,623,451,997	₱ 1,608,917,974	(₱ 732,664,604)	₱ 4,311,977	(₱ 18,288,224)	₱ 6,914,803,006	₱ 2,831,725,422	₱ 9,746,528,428	₱ 14,232,257,548	₱ 9,220,853,529	₱ 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	₱ 3,627,732,337	₱ 5,855,925,221	(₱ 732,664,604)	₱ 5,681,640	(₱ 34,689,808)	₱ 3,223,719,308	₱ 8,399,872,293	₱ 11,623,591,601	₱ 20,345,576,387	₱ 9,960,543,018	₱ 30,306,119,405
Balance at January 1, 2023	₱ 3,623,451,997	₱ 1,608,917,974	(₱ 732,664,604)	₱ 2,195,991	(₱ 13,910,501)	₱ 3,931,475,893	₱ 3,643,829,647	₱ 7,575,305,540	₱ 12,063,296,397	₱ 7,413,022,685	₱ 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	₱ 3,623,451,997	₱ 1,608,917,974	(₱ 732,664,604)	₱ 4,311,977	(₱ 18,288,224)	₱ 6,914,803,006	₱ 2,831,725,422	₱ 9,746,528,428	₱ 14,232,257,548	₱ 9,220,853,529	₱ 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
Subsidiaries			
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%**	-

(Forward)

Entities	Note	Effective Percentage of Ownership	
		2025	2024
Subsidiaries			
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%
Associates			
Iloilo Global City Corporation (IGCC)	(w)	**43%**	43%
ICOM Air Corporation (ICOM)	(x)	**33%**	33%
Magspeak Nature Park, Inc. (Magspeak)	(y)	**25%**	25%
Joint venture			
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.

(Amounts in PHP)	Note	As Previously Reported	Reclassifications	As Restated
December 31, 2024				
Change in assets:				
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	(1,036,709,798)	18,408,287,285
			-	
January 1, 2024				
Change in assets:				
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	(961,072,916)	17,372,941,737
			-	

Presented below is the analysis of the effects of the prior period reclassifications in the 2024 consolidated statement of profit or loss.

(Amounts in PHP)	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	399,444,469	851,614,319
			-	

Presented below is the analysis of the effects of the prior period reclassifications in the 2024 and 2023 consolidated statements of cash flows.

(Amounts in PHP)	Note	As Previously Reported	Reclassifications	As Restated
2024				
Changes in cash flows from operating activities:				
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
			(40,378,657)	
Changes in cash flows from investing activities:				
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)
			40,378,657	
Impact on cash and cash equivalents			-	
2023				
Changes in cash flows from operating activities:				
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
			-	
Changes in cash flows from investing activities:				
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)
			-	
Impact on cash and cash equivalents			-	

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.

Repossessed 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.

(h) 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:

	2025				
(Amounts in PHP)	**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**

(Amounts in PHP)	2024 (As Restated – see Note 2) 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

(Amounts in PHP)	2023 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.

(Amounts in PHP)	**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	**18,517,428,402**	18,647,297,898	18,818,413,368
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	**(59,493,312)**	(25,133,336)	(3,809,681)
Profit before tax as reported in profit or loss	**5,513,936,970**	5,227,779,304	5,682,849,150

(Amounts in PHP)	**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	**(1,911,423,617)**	(1,466,176,916)
Total assets as reported in the consolidated statements of financial position	**134,157,309,421**	109,002,524,842
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	**(2,721,844,281)**	(1,645,778,164)
Total liabilities as reported in the consolidated statements of financial position	**99,430,555,590**	78,696,405,437

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components as at December 31:

(Amounts in PHP)	**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	**1,172,501,926**	225,788,906
	3,040,615,556	1,583,238,995

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:

(Amounts in PHP)	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
		6,225,711,016	4,612,189,039
Allowance for impairment	31.2(c)	**(1,180,895)**	(2,436,656)
		6,224,530,121	4,609,752,383

Receivables are presented in the consolidated statements of financial position as follows:

(Amounts in PHP)	**2025**	2024
Current	**4,707,683,379**	4,481,590,912
Non-current	**1,516,846,742**	128,161,471
	6,224,530,121	4,609,752,383

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.

(Amounts in PHP)	**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	**1,180,895**	2,436,656

7. REAL ESTATE INVENTORIES

This account includes the following inventories, which are all at cost.

(Amounts in PHP)	Note	**2025**	2024
Condominium units		**716,166,222**	705,579,267
Subdivision units		**199,582,401**	33,349,096
		915,748,623	738,928,363
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
		17,271,880,429	11,486,313,938
Raw land inventory	8	**2,985,701,011**	854,851,112
		21,173,330,063	13,080,093,413

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.

(Amounts in PHP)	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:

(Amounts in PHP)	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
		10,463,495,982	7,361,411,891

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.

(Amounts in PHP)	**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

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).

(Amounts in PHP)	Note	**2025**	2024
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	**(1,018,483,367)**	-
Balance at end of year		**-**	632,378,982

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:

(Amounts in PHP)	Revenues	Net Loss	Other Comprehensive Income	Total Comprehensive loss
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:

(Amounts in PHP)	Associates			Join Venture	Total
	IGCC	Magspeak	ICOM	CLI NUD	
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	**17,393,979**	**26,110,896**	**131,770,705**	**-**	**175,275,580**
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	7,268,070	26,217,264	119,020,705	632,378,982	784,885,021

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 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 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)
	2,433,761,752
Allocation of Identifiable Net Assets	
Fair value of previously held interest (60%)	1,018,483,367
Non-controlling interest (40%)	1,415,278,385
	2,433,761,752
Goodwill (Gain on bargain purchase)	-

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.

(Amounts in PHP)	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:

(Amounts in PHP)	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

(Amounts in PHP)	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)	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

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:

(Amounts in PHP)	Land	Office Space	Total
2025			
Cost	1,268,208,672	15,877,921	1,284,086,593
Accumulated amortization			
Balance at beginning of year	174,997,465	14,585,971	189,583,436
Amortization for the year	36,416,344	1,291,950	37,708,294
Balance at end of year	211,413,809	15,877,921	227,291,730
Carrying amount as at December 31	**1,056,794,863**	**-**	**1,056,794,863**

(Amounts in PHP)	Land	Office Space	Total
2024			
Cost			
Balance at beginning of year	1,263,032,633	15,877,921	1,278,910,554
Additions	5,176,039	-	5,176,039
Balance at end of year	1,268,208,672	15,877,921	1,284,086,593
Accumulated amortization			
Balance at beginning of year	137,528,364	11,776,783	149,305,147
Amortization for the year	37,469,101	2,809,188	40,278,289
Balance at end of year	174,997,465	14,585,971	189,583,436
Carrying amount as at December 31	1,093,211,207	1,291,950	1,094,503,157

12.2 Lease Liabilities

Lease liabilities presented in the consolidated statements of financial position as follows:

(Amounts in PHP)	**2025**	2024
Current	**70,824,271**	57,922,896
Non-current	**1,245,462,755**	1,233,425,726
	1,316,287,026	1,291,348,622

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.

(Amounts in PHP)	**2025**	2024
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	**3,375,318,584**	3,476,206,634
	3,765,155,984	3,828,100,898
Total finance charges	**(2,448,868,958)**	(2,536,752,276)
Net present value	**1,316,287,026**	1,291,348,622

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.

(Amounts in PHP)	Retail Building	Condominium Units	Parking Units	Land	Constructions in Progress	Total
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	**2,013,135,109**	**590,081,067**	**427,501,679**	**2,079,841,636**	**15,915,449,814**	**21,026,009,305**
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	1,162,281,283	727,680,157	96,138,718	2,370,054,512	14,052,132,615	18,408,287,285
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	1,205,387,058	755,261,308	101,790,301	2,682,185,384	12,628,317,686	17,372,941,737

A reconciliation of the carrying amounts of investment properties at the beginning and end of years 2025, 2024 and 2023 is as follows:

(Amounts in PHP)	Retail Building	Condominium Units	Parking Units	Land	Constructions in Progress	Total
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	**2,013,135,109**	**590,081,067**	**427,501,679**	**2,079,841,636**	**15,915,449,814**	**21,026,009,305**
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)	1,162,281,283	727,680,157	96,138,718	2,370,054,512	14,052,132,615	18,408,287,285
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)	1,205,387,058	755,261,308	101,790,301	2,682,185,384	12,628,317,686	17,372,941,737

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.

(Amounts in PHP)	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
		226,552,155	162,412,193	112,343,856
Cost of rental services:	19			
Depreciation		**90,860,822**	67,864,233	85,950,388
Others		**-**	-	771,352
		90,860,822	67,864,233	86,721,740

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:

(Amounts in PHP)	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
		1,565,352,088	2,159,905,146

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.

(Amounts in PHP)	**2025**	**2024**
Cost	**68,705,679**	68,705,679
Accumulated amortization	**(53,704,668)**	(47,315,084)
Carrying amount	**15,001,011**	21,390,595

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:

(Amounts in PHP)	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
		6,797,561,915	10,115,412,966
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
		39,976,233,296	34,536,666,965
		46,773,795,211	44,652,079,931

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.

(Amounts in PHP)	**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	**37,347,677,573**	34,877,244,105

A reconciliation of the unamortized debt issue cost at the beginning and end of 2025 and 2024 is shown below.

(Amounts in PHP)	**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	**96,476,532**	150,494,325

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
				3,000,000,000
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
				8,000,000,000
2019	Series A	7.25%	January 2026	2,000,000,000
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
				3,000,000,000

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.

(Amounts in PHP)	**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	**9,426,117,638**	9,774,835,826

A reconciliation of the unamortized debt issue cost at the beginning and end of 2025 and 2024 is shown below.

(Amounts in PHP)	**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	**64,060,933**	52,842,745

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:

(Amounts in PHP)	**2025**	2024
Current	**2,763,194,048**	-
Non-current	**11,111,294,563**	4,964,768,926
	13,874,488,611	4,964,768,926

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
						5,000,000,000
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
						5,000,000,000
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
						4,005,190,000
						14,005,190,000

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.

(Amounts in PHP)	**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.

(Amounts in PHP)	**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:

(Amounts in PHP)	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
		29,751,973,554	21,052,145,479
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
		566,795,667	540,289,379
		30,318,769,221	21,592,434,858

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.

(Amounts in PHP)	Cebu	Visayas	Mindanao	Luzon	Total
2025					
Sale of real estates					
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	1,062,161,205	341,223,000	562,426,120	3,390,000	1,969,200,325
	6,628,866,979	3,016,748,862	6,738,242,538	1,398,716,000	17,782,574,379
Hotel operations					
Over time	243,206,440	187,668,299	-	-	430,874,739
Lease of properties					
Over time	207,172,525	-	19,379,630	-	226,552,155
Rendering of management services					
Over time	60,447,706	4,870,794	12,108,629	-	77,427,129
	7,139,693,650	**3,209,287,955**	**6,769,730,797**	**1,398,716,000**	**18,517,428,402**
2024 [As Restated – see Note 2.1(b)(ii)]					
Sale of real estates					
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	2,344,923,655	116,497,812	587,501,983	6,410,000	3,055,333,450
	7,806,838,834	3,209,220,267	6,302,346,121	862,079,206	18,180,484,428
Hotel operations					
Over time	175,942,496	-	-	64,525,946	240,468,442
Lease of properties					
Over time	152,493,606	-	9,918,587	-	162,412,193
Rendering of management services					
Over time	48,899,263	6,214,656	8,818,916	-	63,932,835
	8,184,174,199	3,215,434,923	6,321,083,624	926,605,152	18,647,297,898
2023					
Sale of real estates					
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	1,114,472,339	139,887,766	2,937,687,511	22,880,000	4,214,927,616
	8,169,244,943	4,389,389,102	5,382,107,142	567,560,899	18,508,302,086
Hotel operations					
Over time	138,551,300	-	-	-	138,551,300
Lease of properties					
Over time	112,167,681	-	176,175	-	112,343,856
Render of management services					
Over time	47,828,318	-	11,387,808	-	59,216,126
	8,467,792,242	4,389,389,102	5,393,671,125	567,560,899	18,818,413,368

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:

(Amounts in PHP)	**2025**	2024
Current	**17,104,926,866**	20,843,159,851
Non-current	**38,497,094,963**	28,583,967,809
	55,602,021,829	49,427,127,660

A reconciliation of the opening and closing balance of Contract Assets is shown below.

(Amounts in PHP)	**2025**	2024
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	**55,602,021,829**	49,427,127,660

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.

(Amounts in PHP)	**2025**	2024
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	**345,034,388**	296,265,114

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:

(Amounts in PHP)	Notes	**2025**	2024
Current	9	**2,314,807,424**	1,457,932,918
Non-current	14	**1,019,513,350**	1,443,535,690
		3,334,320,774	2,901,468,608

The movements in balances of deferred commission in 2025 and 2024 is presented below (see Note 9 and 14):

(Amounts in PHP)	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	**(953,522,243)**	(1,121,695,820)
Balance at end of year		**3,334,320,774**	2,901,468,608

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:

(Amounts in PHP)	**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**	-
	19,351,891,686	15,358,739,134

19. COST OF SALES AND SERVICES

Components of costs of sales and services are analyzed below (see Note 20).

(Amounts in PHP)	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.

(Amounts in PHP)	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:

(Amounts in PHP)	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:

(Amounts in PHP)	Note	**2025**	2024 (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:

(Amounts in PHP)	**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:

(Amounts in PHP)	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
		2,370,469,474	2,188,102,745	2,357,079,962

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:

(Amounts in PHP)	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
		64,338,153	24,035,404	14,983,406

24. EMPLOYEE BENEFITS

24.1 Salaries and Employee Benefits

Expenses recognized for salaries and employee benefits are presented below.

(Amounts in PHP)	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	**1,018,965,035**	780,737,116	653,801,195

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:

(Amounts in PHP)	**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.

(Amounts in PHP)	**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.

(Amounts in PHP)	**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.

(Amounts in PHP)	**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:

(Amounts in PHP)	**2025**	2024	2023
Recognized in profit or loss			
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
	12,790,851	8,044,702	5,067,303
Recognized in other comprehensive income			
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
	12,310,753	21,868,779	5,836,964

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:

(Amounts in PHP)	**2025**	2024	2023
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:

(Amounts in PHP)	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:

(Amounts in PHP)	**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.

(Amounts in PHP)	**2025**	2024	2023
Reported in profit or loss:			
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%	**-**	-	1,385,046
	661,628,480	480,759,473	268,828,645
Deferred tax expense arising from origination and reversal of temporary differences	**822,766,713**	749,170,854	1,578,350,508
	1,484,395,193	1,229,930,327	1,847,179,153
Reported in other comprehensive income			
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 consolidated statements of profit or loss is presented below.

(Amounts in PHP)	**2025**	2024	2023
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	**-**	(59,998,890)	(12,570,144)
Tax expense	**1,484,395,193**	1,229,930,327	1,847,179,153

The net deferred tax liabilities relate to the following as at December 31:

(Amounts in PHP)	**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
	7,354,751,175	6,342,774,113
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)
	(782,074,924)	(589,786,887)
	6,572,676,251	5,752,987,226

The components of deferred tax expense (income) are as follows:

(Amounts in PHP)	**2025**	2024	2023
Reported in profit or loss:			
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)
	822,766,713	749,170,854	1,578,350,508
Reported in other comprehensive income –			
Post-employment defined benefit obligation	**(3,077,688)**	(5,467,195)	(1,459,241)

NOLCO can be claimed as deduction from future taxable income within three years from the year the taxable loss was incurred.

Inception Year	**Amount in PHP**	**Utilized in PHP**	**Balance in PHP**	**Expiry Year**
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)	-	
	817,453,095	**(146,070,187)**	**671,382,908**	

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.

		Amount of Transaction			Outstanding Balance	
(Amounts in PHP)	Note	**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.

(Amounts in PHP)	**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:

(Amounts in PHP)	**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.

(Amounts in PHP)	**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
	187,685,851	128,936,642	209,130,536

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	**2,000,000,000**	2,000,000,000	**1,100,000,000**	1,100,000,000
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	**4,280,340**	4,280,340	**4,280,340**	4,280,340
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	**3,465,201,467**	3,465,201,467	**2,890,787,393**	2,890,787, 393

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.

(Amounts in PHP)	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
2025				
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
2024				
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
			623,736,265	
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
			234,758,772	
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
			274,351,278	
			1,132,846,315	
2023				
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
			623,736,264	

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:

(Amounts in PHP)	NCI Ownership %			NCI Equity in Subsidiaries		
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**	-	-
				12,315,543,027	9,960,543,018	9,220,853,529

The analysis of the movement of NCI as at December 31, 2025, 2024 and 2023 are as follows:

(Amounts in PHP)	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		**800,812,680**	32,500,000	879,500,000
Balance at end of year		**12,315,523,025**	9,960,543,018	9,220,853,529

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.

(Amounts in PHP)	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.

(Amounts in PHP)	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	-

(Amounts in PHP)	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:

(Amounts in PHP)	**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

(Amounts in PHP)	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:

(Amounts in PHP)	**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.

(Amounts in PHP)	**2025**	2024	2023
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
	1,260,445,397	1,118,668,154	474,676,367

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.

(Amounts in PHP)	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.

(Amounts in PHP)	**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.

(Amounts in PHP)	**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 not impaired	Individually impaired	Total
	High grade	Standard grade	Unrated			
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	
(Amounts in PHP)	Within Six Months	Six to 12 Months	One to Five Years	More than Five Years
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.

		2025		2024	
(Amounts in PHP)	Notes	**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[1]	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
		10,141,446,901	**10,141,446,901**	6,703,146,969	6,703,146,969
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
		90,694,230,020	**92,338,781,004**	71,057,572,976	73,146,703,802

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:

	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**		
(Amounts in PHP)	**Financial assets**	**Financial assets set-off**		**Financial instruments**	**Cash collateral received**	**Net amount**
December 31, 2025 Cash and cash equivalents	**3,040,615,556**	-	**3,040,615,556**	3,011,920,892	-	**7,559,112**
December 31, 2024 Cash and cash equivalents	1,583,238,995	-	1,583,238,995	1,577,435,027	-	5,803,968

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:

	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		
(Amounts in PHP)	Financial liabilities	Financial liabilities set-off		Financial instruments	Cash collateral received	Net amount
December 31, 2025						
Interest-bearing loans	46,773,795,211	-	46,773,795,211	3,011,920,892	-	43,761,874,319
December 31, 2024						
Interest-bearing loans	44,652,079,931	-	44,652,079,931	1,577,435,027	-	43,056,897,586

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:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

(b) 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,

(c) 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).

(Amounts in PHP)	**Level 1**	**Level 2**	**Level 3**	**Total**
2025				
Financial assets:				
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**
Financial liabilities:				
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				
Financial assets:				
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
Financial liabilities:				
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).

(Amounts in PHP)	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:

(Amounts in PHP)	**2025**	2024
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.

(Amounts in PHP)	**Bank Loans** (see Note 15)	**Lease Liabilities** (see Note 12.2)	**Bonds Payable** (see Note 16)	**Total**
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**

(Amounts in PHP)	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	44,652,079,931	1,291,348,622	4,964,768,926	50,908,197,479
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	42,188,845,736	1,262,856,055	4,947,822,521	48,399,524,312

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

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The Board of Directors and Stockholders
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(A Subsidiary of A B Soberano Holdings Corp.)
10th Floor, Park Centrale Tower
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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

[redacted]

By: Renan A. Piamonte
Partner

CPA Reg. No. 0107805
TIN [redacted]
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.)
List of Supplementary Information
December 31, 2025

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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*
Financial Assets at Amortized Cost		
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	7,559,112	-
	3,040,615,556	64,278,172
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	583,436,132	-
	6,147,468,808	-
Due from Related Parties	78,394,118	-
Prepayments and Other Current Assets		
Restricted escrow fund	449,119,013	-
Short-term investments	220,581,011	-
	669,700,024	-
Other Non-Current Assets		
Refundable deposits	205,268,395	-
Total	**P 10,141,446,900**	**P 64,278,172**

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

				Deductions		*Ending Balance*		
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*
Entities Under Common Ownership:								
Condominium Corporation								
Base Line Center Condo Corporation	₱ 21,978,953	₱ 1,392,108	₱ -	₱ -	₱ -	₱ 23,371,061	₱ -	₱ 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
Mesaverde 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
Mesaverre 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
	43,356,268	25,514,765	-	(4,499,367)	-	64,371,667	-	64,371,667
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
	7,148,425	1,781,518	-	(14,826)	-	8,915,118	-	8,915,118
Others								
Regalos de Cebu	1,573,279	-	-	(209,607)	-	1,363,672	-	1,363,672
AB Sobecano 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
	3,597,268	1,877,012	-	(209,607)	-	5,264,673	-	5,264,673
	54,101,961	29,173,296	-	(4,723,800)	-	78,551,458	-	78,551,458
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)
	(676,613)	519,273	-	-	-	(157,340)	-	(157,340)
Ultimate Parent Company	837,666,834	1,976,896,869	-	(892,805,392)	-	1,921,758,311	-	1,921,758,311
					-			
Key Management Personnel	-	1,303,957,920	-	(28,961,732)	-	1,274,996,188	-	1,274,996,188
	₱ 891,092,183	**₱ 3,310,547,358**	**₱ -**	**(₱ 926,490,924)**	**₱ -**	**₱ 3,275,148,617**	**₱ -**	**₱ 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-moni 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 Homegown 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

Title of issue and type of obligation	*Amount shown under caption "Current portion of long-term debt" in related Statement of Financial Position*	*Amount shown under caption "Long-Term Debt" in related Statement of Financial Position*	*Interest Rate*	*No. of Periodic Installments*	*Maturity Date*
Promissory notes					
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
	5,835,061,917	19,160,544,703			
Corporate notes					
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
	962,499,999	5,497,644,614			
Sustainability-Linked Notes					
BPI Asset Management	-	2,965,973,025	6.87% to 7.37%	Various	08/15/2035 to 09/01/2035
CTS (Loan)					
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
	-	12,352,070,953			
Corporate Bonds					
Philippine Depository & Trust	2,763,194,048	2,218,474,982	6.42% to 7.36%	N/A	04/07/2026 to 10/07/2029
Sustainability-Linked Bonds					
Philippine Depository & Trust	-	8,892,819,581	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

Name of related party	*Balance at beginning of period*	*Balance at end of period*

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

Name of issuing entity of securities guaranteed by the company for which this statement is filed	*Title of issue of each class of securities guaranteed*	*Total amount guaranteed and outstanding*	*Amount owned by person for which statement is filed*	*Nature of guarantee*

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		
Title of Issue	*Number of shares authorized*	*Number of shares issued and outstanding as shown under the related Statement of Financial Position caption*	*Number of shares reserved for options, warrants, coversion and other rights*	*Related parties*	*Directors, officers and employees*	*Others*
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		37.00
Net Proceeds	**P**	**4,963.00**

2. Actual and net proceeds

Actual Gross Proceeds*	P	4,280.34
Less: Actual Expenses		45.04
Actual Net Proceeds	**P**	**4,235.30**

3. Each expenditure item where the proceeds were used

Project Development Costs	P	3,363.01
General Corporate Expenses		872.29
Total	**P**	**4,235.30**

4. Balance of the proceeds as of December 31, 2025	**P**	**-**

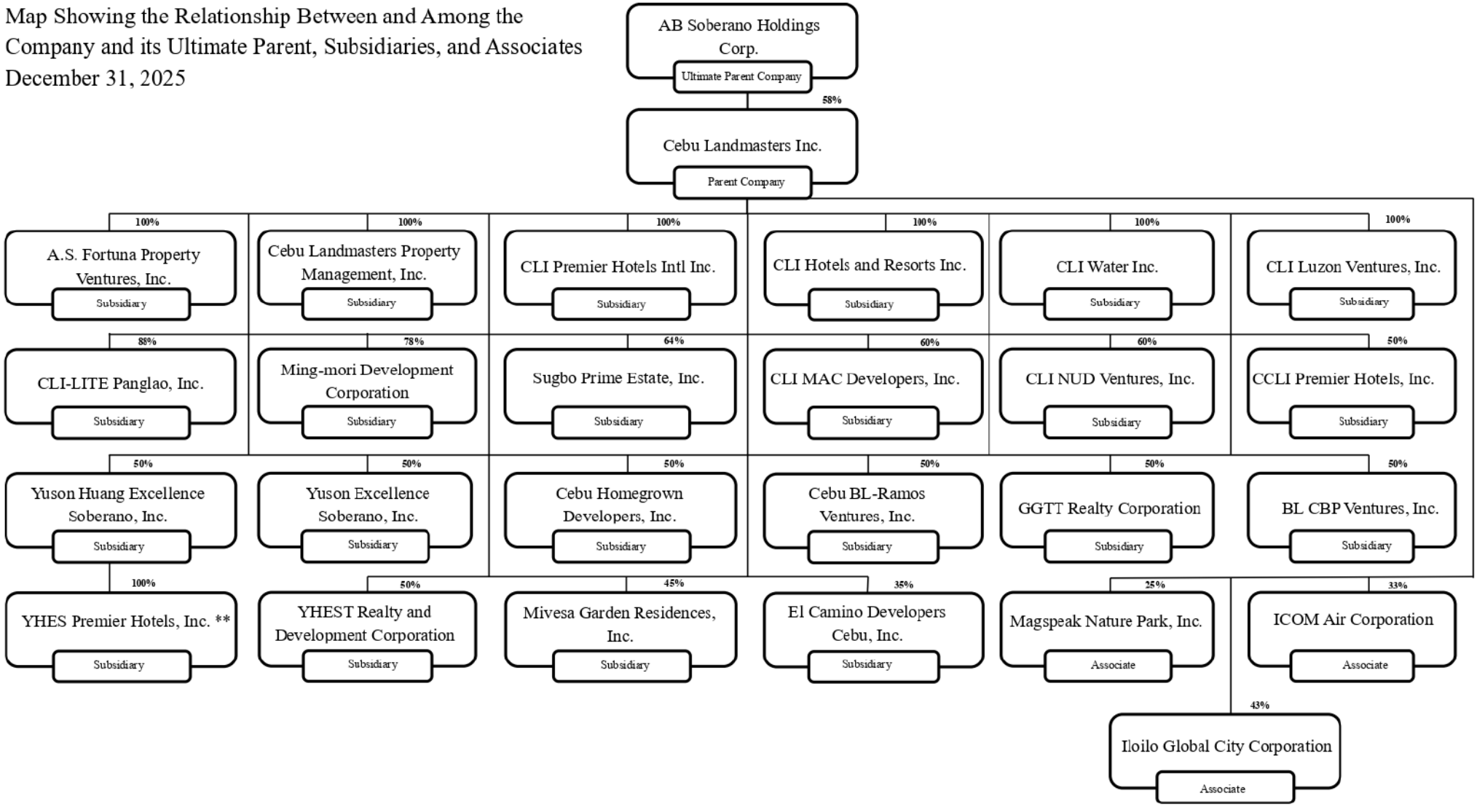
**Actual preferred shares raised amounted to P4,280,340,000*

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		1.44	Total Current Assets divided by Total Current Liabilities		1.51
	Total Current Assets	57,350,750,814		Total Current Assets	47,640,752,757	
	Divide by: Total Current Liabilities	39,898,482,895		Divide by: Total Current Liabilities	31,627,957,820	
	Current Ratio	1.44		Current Ratio	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		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		0.85
	Cash and cash equivalents	3,040,615,556		Cash and cash equivalents	1,583,238,995	
	Add: Current Receivables	4,707,683,379		Add: Current Receivables	4,481,590,912	
	Current Contract Assets	17,104,926,866		Current Contract Assets	20,843,159,851	
	Due from Related Parties	78,394,118		Due from Related Parties	53,425,348	
	Quick Assets	24,931,619,919		Quick Assets	26,961,415,106	
	Divide by: Total Current Liabilities	39,898,482,895		Divide by: Total Current Liabilities	31,627,957,820	
	Acid test ratio	0.62		Acid test ratio	0.85	
Solvency ratio	Total Liabilities divided by Total Assets		0.74	Total Liabilities divided by Total Assets		0.72
	Total Liabilities	99,430,555,590		Total Liabilities	78,696,405,437	
	Divide by: Total Assets	134,157,309,421		Divide by: Total Assets	109,002,524,842	
	Solvency ratio	0.74		Solvency ratio	0.72	
Debt-to-equity ratio	Total Liabilities divided by Total Equity		2.86	Total Liabilities divided by Total Equity		2.60
	Total Liabilities	99,430,555,590		Total Liabilities	78,696,405,437	
	Divide by: Total Equity	34,726,753,831		Divide by: Total Equity	30,306,119,405	
	Debt-to-equity ratio	2.86		Debt-to-equity ratio	2.60	
Assets-to-equity ratio	Total Assets divided by Total Equity		3.86	Total Assets divided by Total Equity		3.60
	Total Assets	134,157,309,421		Total Assets	109,002,524,842	
	Divide by: Total Equity	34,726,753,831		Divide by: Total Equity	30,306,119,405	
	Assets-to-equity ratio	3.86		Assets-to-equity ratio	3.60	
Interest rate coverage ratio	Earnings before interest and taxes (EBIT) divided by Interest expense		5.03	Earnings before interest and taxes (EBIT) divided by Interest expense		4.36
	Profit before tax	5,513,936,970		Profit before tax	5,227,779,304	
	Cash and Cash Equivalents	3,040,615,556		Cash and Cash Equivalents	1,583,238,995	
	Depreciation & Amortization	293,585,990		Depreciation & Amortization	175,519,160	
	Add: Interest charged to Finance Costs	2,370,469,474		Add: Interest charged to Finance Costs	2,188,102,745	
	EBIT	11,218,607,990		EBIT	9,174,640,204	
	Divide by: Interest Expense*	2,229,416,314		Divide by: Interest Expense*	2,102,801,908	
	Interest rate coverage ratio	5.03		Interest rate coverage ratio	4.36	
	**Excludes 2,168,645,976 interest capitalized as part of property and equipment, and investment property*			**Excludes 1,657,889,230 interest capitalized as part of property and equipment, and investment property*		
Return on equity	Net Profit divided by Total Ave. Equity		12%	Net Profit divided by Total Ave. Equity		15%
	Net Profit	4,029,541,777		Net Profit	3,997,848,977	
	Divide by: Total Ave. Equity	32,516,436,618		Divide by: Total Ave. Equity	26,879,615,241	
	Return on equity	12%		Return on equity	15%	
Return on assets	Net Profit divided by Total Ave. Assets		3%	Net Profit divided by Total Ave. Assets		4%
	Net Profit	4,029,541,777		Net Profit	3,997,848,977	
	Divide by: Total Ave. Assets	121,579,917,132		Divide by: Total Ave. Assets	104,725,299,581	
	Return on assets	3%		Return on assets	4%	
Net profit margin	Net Profit divided by Revenues		22%	Net Profit divided by Revenues		21%
	Net Profit	4,029,541,777		Net Profit	3,997,848,977	
	Divide by: Total Revenue	18,517,428,402		Divide by: Total Revenue	18,647,297,898	
	Return on assets	22%		Return on assets	21%	
Other ratio						
Gross profit margin	Gross Profit divided by Total Revenue		51%	Gross Profit divided by Total Revenue		52%
	Gross Profit	9,510,241,895		Gross Profit	9,769,670,539	
	Divide by: Total Revenue	18,517,428,402		Divide by: Total Revenue	18,647,297,898	
	Gross profit margin	51%		Gross profit margin	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

		2025		2024
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		**4,080,000**		3,480,000
Total Audit and Non-audit Fees	**P**	**13,038,500**	P	10,380,040

SECURITIES AND EXCHANGE COMMISSION
THE SEC HEADQUARTERS 7907 Makati Avenue, Salcedo Village, Bel-Air, Makati City
1209 Trunk Line No:02-5322-7696 Email Us:www.sec.gov.ph/imessagemo@sec.gov.ph

The following document has been received:

Receiving: ICTD ERMD
Receipt Date and Time: April 15, 2026 02:01:16 PM

Company Information

SEC Registration No.: CS200321240
Company Name: CEBU LANDMASTERS, INC.
Industry Classification: K70110
Company Type: Stock Corporation

Document Information

Document ID: OST104152026811223219
Document Type: Financial Statement
Document Code: FS
Period Covered: December 31, 2025
Submission Type: Parent
Remarks: None

Acceptance of this document is subject to review of forms and contents

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	0	3	2	1	2	4	0

Company Name

CEBU LANDMASTERS, INC.

(A Subsidiary of A B Soberano Holdings Corp.)

Principal Office (No./Street/Barangay/City/Town)Province)

10TH FLOOR PARK CENTRALE TOWER

JOSE MA. DEL MAR ST. B2 L3,

CEBU I.T. PARK, BRGY. APAS,

CEBU CITY, PHILIPPINES 6000

Form Type	Department requiring the report	Secondary License Type, If Applicable
AFS25	SEC	

COMPANY INFORMATION

Company's Email Address	Company's Telephone Number/s	Mobile Number
jggarde@cebulandmasters.com	(032) 231 4914	N/A

No. of Stockholders	Annual Meeting Month/Day	Fiscal Year Month/Day
21	1st Friday of July	12/31

CONTACT PERSON INFORMATION

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

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Jose R. Soberano III	ceo@cebulandmasters.com	(032) 231 4914	

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.

CEBULANDMASTERS
We Build with You in Mind

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.

[redacted]

Jose R. Soberano III
Chairman of the Board, Chief Executive Officer and President
TIN: [redacted]

[redacted]

Ma. Rosario B. Soberano
Executive Vice President and Treasurer
TIN: [redacted]

[redacted]

Paquita Tigue-Rafols
Chief Financial Officer
TIN: [redacted]

Signed this 7th day of April 2026.

SUBSCRIBED AND SWORN to before me this APR 0 7 2026 at Cebu City, affiants exhibiting to me their respective Tax Identification Nos.

[redacted]

Doc No. 244;
Page No. 70;
Book No. 15;
Series of 2026

ATTY LARRY NILO G. 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-0003036; issued on 05-09-2025
PTR No. 1560269; 12-12-2025; Cebu Province
IBP No. 387650; 01-09-2026; Cebu Chapter
Block 1, Lot 1, Cebu Cebuhomes Village, Magsuhay
Talisay City, Cebu, Philippines 6045

Gmail **Mark Anthony Yu <myucliacctg@gmail.com>**

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Hi CEBU LANDMASTERS INC,

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Transaction Code: **AFS-0-BBL7ACLD0BA7B9BDGN1MT4WZX06A7HKEJD**
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Financial Statements and
Independent Auditors' Report

Cebu Landmasters, Inc.

December 31, 2025, 2024 and 2023
(With Corresponding Figures as of January 1, 2024)

Punongbayan & Araullo (P&A) is the Philippine member firm of Grant Thornton International Ltd

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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.

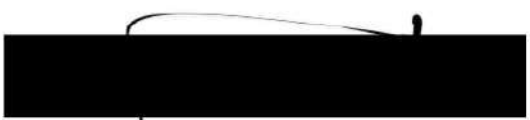
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 [redacted]
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)

	Notes	2025	December 31, 2024 (As Restated – see Note 2)	January 1, 2024 (As Restated – see Note 2)
A S S E T S				
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
LIABILITIES AND EQUITY				
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	26			
Capital stock		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)

	Notes	2025	2024	2023
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	**3,077,688**	5,467,195	1,459,241
		(9,233,065)	(16,401,584)	(4,377,723)
TOTAL COMPREHENSIVE INCOME		**P 3,123,523,339**	P 2,925,876,498	P 2,829,064,106

See Notes to Financial Statements.

CEBU LANDMASTERS, INC.
(A Subsidiary of A B Sobenano 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)			Total
						Appropriated	Unappropriated	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
Subsidiaries			
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%**	-

(Forward)

Entities	Note	Effective Percentage of Ownership 2025	2024
Subsidiaries			
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%
Associates			
Iloilo Global City Corporation (IGCC)	(w)	**43%**	43%
ICOM Air Corporation (ICOM)	(x)	**33%**	33%
Magspeak Nature Park, Inc. (Magspeak)	(y)	**25%**	25%
Joint venture			
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.

(Amounts in PHP)	Note	As Previously Reported	Reclassifications	As Restated
December 31, 2024				
Change in assets :				
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	(743,882,294)	9,782,821,363
			-	
January 1, 2024				
Change in assets :				
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	(689,558,450)	8,881,399,871
			-	

Presented below is the analysis of the effects of the prior period reclassifications in the 2024 statement of profit or loss.

(Amounts in PHP)	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	383,161,574	729,437,482
			-	

Presented below is the analysis of the effects of the prior period reclassifications in the 2024 and 2023 statements of cash flows.

(Amounts in PHP)	Note	As Previously Reported	Reclassifications	As Restated
2024				
Changes in cash flows from operating activities:				
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)	1,297,935,802	113,317,882
			(16,395,666)	
Changes in cash flows from investing activities:				
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)	54,323,845	(1,298,536,337)
			16,395,666	
Impact on cash and cash equivalents			-	
2023				
Changes in cash flows from operating activities:				
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	(851,934,567)	434,223,846
			-	
Changes in cash flows from investing activities:				
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)	89,540,844	(752,900,544)
			-	
Impact on cash and cash equivalents			-	

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:

(Amounts in PHP)	**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
	1,834,002,955	667,937,940

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:

(Amounts in PHP)	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:

(Amounts in PHP)	**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.

(Amounts in PHP)	Note	**2025**	2024
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:

(Amounts in PHP)	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
		6,065,505,361	4,552,061,352

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:

(Amounts in PHP)	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
		16,408,743,423	11,581,398,627

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.

(Amounts in PHP)	**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	**16,408,743,423**	11,581,398,627

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.

(Amounts in PHP)	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:

(Amounts in PHP)	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.

(Amounts in PHP)	**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.

(Amounts in PHP)	Note	**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.

(Amounts in PHP)	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:

(Amounts in PHP)	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:

(Amounts in PHP)	**2025**	2024
Cost		
Balance at beginning of year	**985,514,580**	980,338,540
Additions	**-**	5,176,040
Balance at end of year	**985,514,580**	985,514,580
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	**142,731,090**	118,259,564
Carrying amount	**842,783,490**	867,255,016

11.2 Lease Liabilities

Lease liabilities presented in the statements of financial position as follows:

(Amounts in PHP)	**2025**	2024
Current	**54,676,118**	41,197,368
Non-current	**984,286,718**	968,523,528
	1,038,962,836	1,009,720,896

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.

(Amounts in PHP)	**2025**	2024
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	**3,016,557,906**	3,093,467,476
	3,318,506,666	3,359,704,034
Total finance charges	**(2,279,543,830)**	(2,349,983,138)
Net present value	**1,038,962,836**	1,009,720,896

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.

(Amounts in PHP)	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:

(Amounts in PHP)	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

(Amounts in PHP)	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	(22,776,066)	(25,030,527)	(1,568,590)	-	(49,375,183)
Balance at December 31, 2023, net of accumulated depreciation (As Restated – see Note 2.1)	723,943,482	658,696,244	20,703,672	7,478,056,473	8,881,399,871

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.

(Amounts in PHP)	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
		157,282,662	113,826,161	101,513,196
Cost of rental services:	18			
Depreciation		**57,975,076**	50,712,331	49,375,183
Others		**-**	-	793,674
		57,975,076	50,712,331	50,168,857

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:

(Amounts in PHP)	Notes	**2025**	2024
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
		1,390,366,161	1,852,054,722

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.

(Amounts in PHP)	**2025**	**2024**
Cost	**66,448,992**	66,448,992
Accumulated amortization	**(52,835,481)**	(46,895,897)
Carrying amount	**13,613,511**	19,553,095

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:

(Amounts in PHP)	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.

(Amounts in PHP)	**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.

(Amounts in PHP)	**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
				3,000,000,000
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
				8,000,000,000
2019	Series A	7.25%	January 2026	2,000,000,000
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
				3,000,000,000

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.

(Amounts in PHP)	**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	**9,426,117,638**	9,774,835,826

A reconciliation of the unamortized debt issue cost at the beginning and end of 2025 and 2024 is shown below.

(Amounts in PHP)	**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	**64,060,933**	52,842,745

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:

(Amounts in PHP)	**2025**	2024
Current	**2,763,194,048**	-
Non-current	**11,111,294,563**	4,964,768,926
	13,874,488,611	4,964,768,926

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
						5,000,000,000
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
						5,000,000,000
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
						4,005,190,000
						14,005,190,000

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.

(Amounts in PHP)	**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.

(Amounts in PHP)	**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 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:

(Amounts in PHP)	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
		16,149,098,363	12,905,397,550
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
		577,281,561	550,010,939
		16,726,379,924	13,455,408,489

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.

(Amounts in PHP)	Cebu	Visayas	Mindanao	Luzon	Total
2025					
Sale of real estates					
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
	4,280,064,253	1,833,509,380	4,103,832,673	1,400,246,284	11,617,652,590
Lease of properties					
Over time	157,282,662	-	-	-	157,282,662
Rendering of management services					
Over time	87,946,904	17,336,135	67,134,875	-	172,417,914
	4,525,293,819	**1,850,845,515**	**4,170,967,548**	**1,400,246,284**	**11,947,353,166**
2024 [As Restated – see Note 2.1(b)(ii)]					
Sale of real estates					
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
	3,384,746,833	1,751,017,786	4,014,476,091	862,079,206	10,012,319,916
Lease of properties					
Over time	113,826,161	-	-	-	113,826,161
Rendering of management services					
Over time	70,124,722	31,733,387	44,791,913	-	146,650,022
	3,568,697,716	1,782,751,173	4,059,268,004	862,079,206	10,272,796,099
2023					
Sale of real estates					
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
	5,868,758,175	3,147,551,109	1,506,981,953	567,560,899	11,090,852,136
Lease of properties					
Over time	101,513,196	-	-	-	101,513,196
Rendering of management services					
Over time	75,098,972	24,874,604	54,403,224	-	154,376,800
	6,045,370,343	3,172,425,713	1,561,385,177	567,560,899	11,346,742,132

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:

(Amounts in PHP)	**2025**	2024
Current	**7,702,225,031**	15,436,691,263
Non-current	**28,310,172,083**	18,764,293,954
	36,012,397,114	34,200,985,217

A reconciliation of the opening and closing balance of Contract Assets is shown below.

(Amounts in PHP)	**2025**	2024
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	**36,012,397,114**	34,200,985,217

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.

(Amounts in PHP)	**2025**	2024
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	**222,125,928**	120,537,515

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:

(Amounts in PHP)	Notes	**2025**	2024
Current	8	**1,951,195,124**	1,136,472,648
Non-current	13	**888,782,409**	1,155,971,774
		2,839,977,533	2,292,444,422

The movement in balances of deferred commission in 2025 and 2024 is presented below (see Note 8 and 13):

(Amounts in PHP)	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	**(576,703,693)**	(622,606,668)
Balance at end of year		**2,839,977,533**	2,292,444,422

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:

(Amounts in PHP)	**2025**	2024
Within a year	**10,848,683,189**	10,922,224,589
More than one year to three years	**8,118,763,848**	4,752,330,143
	18,967,447,037	15,674,554,732

18. COST OF SALES AND SERVICES

Components of costs of sales and services are analyzed below (see Note 19).

(Amounts in PHP)	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
		5,614,794,980	4,207,231,557	5,039,983,960
Cost of rental services:				
Depreciation		**57,975,076**	50,712,331	49,375,183
Real property taxes		**-**	-	793,674
	12	**57,975,076**	50,712,331	50,168,857
		5,672,770,056	4,257,943,888	5,090,152,817

19. COSTS AND EXPENSES BY NATURE

Details of costs and expenses by nature are shown below.

(Amounts in PHP)	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
		8,427,228,685	6,635,832,932	7,059,126,859

These costs and expenses are classified in the statements of profit or loss as follows:

(Amounts in PHP)	Note	**2025**	2024 [As Restated – see Note 2.1 (b)(ii)]	2023
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
		8,427,228,685	6,635,832,932	7,059,126,859

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 (As Restated – see Note 2.1)	2023
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
		894,472,713	729,437,482	363,652,839

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:

(Amounts in PHP)	**2025**	2024	2023
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	**22,526,116**	22,558,752	-
	28,016,817	23,812,992	3,233,017

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:

(Amounts in PHP)	Notes	**2025**	2024	2023
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		**9,092,100**	1,901,059	279,094
		1,875,162,436	1,880,107,688	2,128,229,311

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:

(Amounts in PHP)	Notes	**2025**	2024	2023
Interest income on:				
Banks	4	**28,969,252**	9,831,683	11,618,139
Advances to related parties	25.1	**26,691,949**	22,206,219	32,371,122
		55,661,201	32,037,902	43,989,261

23. EMPLOYEE BENEFITS

23.1 Salaries and Employee Benefits

Expenses recognized for salaries and employee benefits are presented below.

(Amounts in PHP)	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:

(Amounts in PHP)	**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.

(Amounts in PHP)	**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.

(Amounts in PHP)	**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.

(Amounts in PHP)	**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 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:

(Amounts in PHP)	**2025**	2024	2023
Recognized in profit or loss			
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
	12,790,851	8,044,702	5,067,303
Recognized in other comprehensive income:			
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
	12,310,753	21,868,779	5,836,964

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:

(Amounts in PHP)	**2025**	2024	2023
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:

(Amounts in PHP)	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:

(Amounts in PHP)	**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.

(Amounts in PHP)	**2025**	2024	2023
Reported in profit or loss:			
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
Reported in other comprehensive income			
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.

(Amounts in PHP)	**2025**	2024	2023
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:

(Amounts in PHP)	**2025**	2024
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
	4,549,549,447	4,113,254,724
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)
	(232,782,984)	(198,999,536)
	4,316,766,463	3,914,255,188

The components of deferred tax expense (income) are as follows:

(Amounts in PHP)	**2025**	2024	2023
Reported in profit or loss:			
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	**405,588,963**	419,267,874	839,177,697
Reported in other comprehensive income –			
Post-employment defined benefit obligation	**(3,077,688)**	(5,467,195)	(1,459,241)

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.

		Amount of Transaction			Outstanding Balance	
(Amounts in PHP)	Note	**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:

(Amounts in PHP)	**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.

The amounts of cash dividends received by the Company from the following subsidiaries are as follows:

(Amounts in PHP)	**2025**	2024	2023
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
	806,000,000	203,250,000	106,220,000

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.

(Amounts in PHP)	**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
	187,685,851	128,936,642	209,130,536

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:

	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	**2,000,000,000**	2,000,000,000	**1,100,000,000**	1,100,000,000
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	**4,280,340**	4,280,340	**4,280,340**	4,280,340
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	**3,465,201,467**	3,465,201,467	**2,890,787,393**	2,890,787, 393

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.

(Amounts in PHP)	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
2025				
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
2024				
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
			623,736,265	
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
			234,758,772	
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
			274,351,278	
			1,132,846,315	
2023				
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
			623,736,264	

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.

(Amounts in PHP)	**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.

(Amounts in PHP)	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.

(Amounts in PHP)	**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.

(Amounts in PHP)	**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
	40,136,451,344	36,427,004,034

(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
	2,205,791,150	**40,136,451,345**	**1,368,392,889**	**-**	**-**	**43,710,635,384**

	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
	953,616,215	36,427,004,034	1,428,736,443	-	-	38,809,356,692

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	
(Amounts in PHP)	**Within Six Months**	**Six to 12 Months**	**One to Five Years**	**More than Five Years**
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*	11,846,887,975	4,176,060,157	529,356,388	-
	18,503,832,089	**8,962,727,241**	**35,528,487,826**	**12,985,476,527**
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*	6,678,769,232	6,168,750,044	518,315,036	-
	15,644,297,210	11,459,926,872	30,692,998,734	4,990,121,122

** 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.

		2025		2024	
(Amounts in PHP)	Notes	**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:

	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		
(Amounts in PHP)	Financial liabilities	Financial liabilities set-off		Financial instruments	Cash collateral received	Net amount
December 31, 2025						
Interest-bearing loans	**37,558,119,943**	-	**37,558,119,943**	**2,199,852,450**	-	**35,358,267,493**
December 31, 2024						
Interest-bearing loans	37,402,658,415	-	37,402,658,415	949,890,625	-	36,452,767,790

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:

(a) Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that an entity can access at the measurement date;

(b) 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,

(c) 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).

(Amounts in PHP)	**Level 1**	**Level 2**	**Level 3**	**Total**
2025				
Financial assets:				
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**
Financial liabilities:				
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				
Financial assets:				
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
Financial liabilities:				
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).

(Amounts in PHP)	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:

(Amounts in PHP)	**2025**	2024
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	**2.27:1.00**	2.07:1.00

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.

(Amounts in PHP)	**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:

(Amounts in PHP)	**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	81,330,844
	525,480,263

(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.