

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-A, AS AMENDED

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

1. For the fiscal year ended : **31 December 2025**
2. SEC Identification Number : **163671** 3. BIR Tax Identification No.: **000-804-342-000**
4. Exact name of registrant : **AYALALAND LOGISTICS HOLDINGS CORP.**
5. **Metro Manila, Philippines**
Province, Country or other jurisdiction of
incorporation or organization
6. (SEC Use Only)
Industry Classification Code:
7. **5th Floor Glorietta 4, Ayala Center, Makati City** **1224**
Address of principal office Postal Code
8. **(632) 8884-1106**
Registrant's telephone number, including area code
9. **N/A**
Former name, former address, and former fiscal year, if changed since last report.
10. Securities registered pursuant to Sections 8 and 12 of the SRC, or Sec. 4 and 8 of the RSA
(As of March 31, 2026)

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	6,301,591,987 shares
Consolidated Loans Payable	P3.5 billion

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

Yes [] No []

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

Stock Exchange : **Philippine Stock Exchange**
Number and Class of Securities Listed : **4,953,010,502 Common Shares**
(as of March 31, 2026)

12. Check whether the registrant:

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

Yes [] No []

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

Yes [] No []

13. Aggregate market value of the voting stock held by non-affiliates: **P2,053,632,460.80**
(as of March 31, 2026)

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

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

Yes [] No [] **Not Applicable**

DOCUMENTS INCORPORATED BY REFERENCE

Briefly describe documents incorporated by reference and identify the part of the SEC Form 17-A into which the documents are incorporated:

Not Applicable

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PART I – BUSINESS AND GENERAL INFORMATION

Item 1. Business

a. Business Development

AyalaLand Logistics Holdings Corp. (Company/Issuer), a 70.90%-owned subsidiary of ALI, is an investment holding company and is focused on the development of world-class industrial parks, warehouses, cold storage facilities, and commercial centers through its subsidiaries. In 2022, the Company ventured into the establishment of data center facilities. The Company has the following operating subsidiaries:

- (i) Laguna Technopark, Inc.
- (ii) Unity Realty & Development Corporation
- (iii) LCI Commercial Ventures, Inc.
- (iv) ALogis Artico, Inc. (formerly Ecozone Power Management, Inc.)
- (v) Orion Land, Inc.
- (vi) Tutuban Properties, Inc.
- (vii) Orion Property Development, Inc.
- (viii) A-FLOW Land I Corp.

b. Business of Issuer

(i) Principal Products and Services

- *Laguna Technopark, Inc. (LTI)*

LTI is engaged in the business of real estate development. LTI owns and operates industrial parks that cater to light and medium, non-polluting enterprises from both global and local markets, namely: Laguna Technopark, Cavite Technopark, Laguindingan Technopark, and Batangas Technopark. LTI is likewise into the leasing of warehouses located in multiple sites in Laguna, Cavite, and Pampanga, spanning approximately 174,127 square meters (sqm.) of warehouse gross leasable area (GLA).

- *Unity Realty & Development Corporation (URDC)*

URDC is a real estate holding company which owns Pampanga Technopark located in Mabalacat City, Pampanga. URDC is engaged in the operation of cold storage facilities with 12,548 pallet positions and dry warehouse of 34,828 sqm. in Pangasinan and Pampanga.

- *LCI Commercial Ventures, Inc. (LCVI)*

LCVI owns and operates warehouse facilities in a 14-hectare property in Calamba, Laguna, with warehouse GLA of 98,173 sqm.

- *ALogis Artico, Inc. (AAI)*

AAI, a wholly-owned subsidiary of LTI, that manages cold storage facilities with a total of 19,028 pallet positions with sites located in Laguna, Cebu, and Iloilo. Moreover, AAI is also into the operation of a standard factory building located in Batangas and Iloilo, with warehouse GLA of 72,501 sqm.

**The SEC approved the change in its corporate name to ALogis Artico, Inc. on January 30, 2024.*

- *Orion Land, Inc. (OLI)*

OLI is engaged in the business of property development and leasing. It owns South Park Center, a commercial complex consisting of a 5-storey mall and a 6-storey corporate office building located in Alabang, Muntinlupa.

- *Tutuban Properties, Inc. (TPI)*

TPI, a wholly-owned subsidiary of OLI, holds the lease and development rights of over a 20-hectare property in Divisoria. On the property sits the Tutuban Center, an integrated wholesale and retail complex, located in Tondo, Manila.

- *Orion Property Development, Inc. (OPDI)*

OPDI, a wholly-owned subsidiary of OLI, handles property development. Its present landholdings include properties in Batangas and Laguna.

- *A-FLOW Land I Corp.*

Incorporated in 2022, this is a 60%-owned company engaged in leasing of land in Mamplasan, Laguna to A-FLOW I Properties Corp.

- *FLT Prime Insurance Corporation (FPIC)*

FPIC, a 78.77%-owned subsidiary of ALLHC, was incorporated in 1977, and engaged in non-life insurance business. With the shift to real estate as the core business of ALLHC Group, FPIC requested the Insurance Commission (IC) for termination of its servicing license and the appointment of an overseer, which was approved by the IC on January 4, 2021. The IC issued a Directive dated May 11, 2021 which declared the insurance business of FPIC as officially withdrawn. FPIC has had no insurance operations since 2017. It will apply for shortening of its corporate term.

Based on the Company's Consolidated Statement of Income (Loss) for the past year, the contributions of the above subsidiaries (on a per type of business basis) to the Company's consolidated Net Income are as follows:

Parent company	-	-142.70%
Real estate & development-		197.52%
Rental services	-	58.12%
Cold storage	-	-43.19%
Others	-	30.25%

Total		100.00%

(ii) Percentage of Sales Contributed by Foreign Sales

The Company and its subsidiaries offer their products to the domestic and foreign market. In 2025, sales of industrial lots and lease of warehouses were mainly to the domestic market.

(iii) Distribution Methods

The Company's industrial real estate products are marketed to a range of individual and corporate property buyers and lessees.

The Company's industrial group has its own in-house sales team for its industrial and commercial lots for sale, and in-house leasing team for its dry warehouse and cold storage facilities for lease. The Company taps external brokers and agents to complement these sales and leasing teams.

(iv) New Products or Services

There were no new products introduced in 2025, although new leasing facilities were opened.

(v) Competition

The Company competes with other investment holding companies in the Philippines in terms of investment prospects. The Company's core businesses continue to compete in their respective industries. Competition is kept mainly on a domestic level. The competition of the business units are as follows:

- OLI which operates mall and offices in South Park Center faces competition from other mall and office lessors;
- TPI which operates Tutuban Center in Manila competes with other malls and retailers, shops in Divisoria and Manila area;
- LTI and URDC compete with other industrial park developers and warehouse lessors;
- LCVI compete with other warehouse lessors;
- OPDI competes with other real estate developers; and
- AAI competes with cold storage facilities operators and lessors.

(vi) Purchases of Raw Materials and Supplies

The Company's supplies are purchased on a competitive basis from accredited local suppliers.

(vii) Customers

ALLHC has a broad market base for its products lines and is not dependent on a single customer group.

For malls leasing, customers include warehouses, retailers and mall shoppers. For office leasing, a number of locators occupy the available spaces to date. For industrial parks, standard factory buildings and cold storage facilities, customers are domestic and foreign locators. OPDI's customers are Filipino lot buyers.

(viii) Transactions with and/or Dependence on Related Parties

The Company has limited transactions and/or dependence on its shareholders and related parties in view of existing laws on disclosures and prior government approvals. Transactions with related parties are in the form of inter-company loans or advances, sale of properties, construction contracts, marketing, leasing, management and administrative service agreements in the ordinary course of business.

(ix) Franchise

The Company's products are not covered by any franchise.

(x) Government Approvals for Principal Services

AAI holds a license to operate as Retail Electricity Supplier until March 19, 2027 from the Energy Regulatory Commission. However, AAI has changed its primary purpose into ownership and management of cold storage and dry warehouse.

(xi) Effect of Existing or Probable Governmental Regulations

Governmental regulations which affected or were expected to affect the operations or business of ALLHC and some of its subsidiaries are as follows:

- (a) Government approval of any increase in the prices of electricity and water may have an adverse impact on the operations as it will directly increase utilities and overhead expenses.
- (b) The Philippine Economic Zone Authority (PEZA) accreditation and Board of Investments tax incentives may attract potential locators in the industrial parks and standard factory buildings of the Group.

(xii) Research and Development Activities

The Company has no research and development activities.

(xiii) Cost and Effects of Compliance with Environment Laws

The Group ensures that the development of industrial parks, standard factory buildings and cold storage facilities comply with the requirements of the Department of Environment and Natural Resources and related agencies. As part of its sustainability efforts, the Group is gradually shifting to the use of renewal sources of energy for its operations in its malls and cold logistics facilities.

(xiv) Employees

As of December 31, 2025, the employees of ALLHC are as follows:

Executives*	-	-
Managers	-	30
Supervisors	-	14
Rank and File	-	47

Total		91

*The executives of ALLHC are employees of ALI

The Company has no workers' union.

As of March 31, 2026, the total number of ALLHC employees is 90.

(xv) Risks

In 2025, the Company identified the following top three (3) risks: (1) project execution and timely delivery risk; (2) operational risk; and (3) financial risk.

Project Execution and Timely Delivery Risk — Maintaining project delivery and quality remains a central focus of the Company in support of customer satisfaction. While the company is dedicated to meeting its objectives, project timelines can be influenced by external factors, including contractor performance and technical requirements. Ensuring customer satisfaction while managing project delivery, costs and quality is a top priority for the Company. The Company is dedicated to maintaining the trust of its customers and meeting their expectations, as these are fundamental to brand's reputation and sustained growth. To mitigate this risk, the Company will establish standardized project timelines featuring stage-gate reviews and frequent progress monitoring to facilitate early identification and mitigation of potential delays, implement a centralized framework for engineering standards and adaptable designs guidelines to ensure consistency and quality across developments, comprehensive facility audits and enhance technical and legal due diligence to ensure that properties are ready for transfer and subdivision upon acquisition and utilization of internal landbank. has assigned dedicated Construction Management Director (CMD) for land development and industrial leasing businesses, close project monitoring and coordination with External Affairs team to mitigate delays and planned phasing of land development to ensure timely percentage of completion delivery, pursuing partnering agreements, establishment of account management team and outsourcing and alignment between project management and leasing team.

Operational risk- Refining internal processes and clarifying roles remains a focus for the company to achieve organizational efficiency and long-term growth. While the company is dedicated to its objectives, operational workflows are affected by evolving administrative requirements and resource management needs. To mitigate this risk, the company will standardize risk reporting, formalize financial governance by developing comprehensive guidelines to standardize core financial workflows and reporting cycles, leasing policy revisit for stricter implementation of agreements with clients, optimize service agreements and modernize logistics operations to improve resource coordination and distribution.

Financial risk – Funding and profitability are subject to market conditions and economic shifts. Inflation impact consumer demand and operating costs, requiring careful management to maintain sustainable margins and overall financial performance. Action plans include perform cross-functional assessments to identify and manage primary cost drivers, review and align of third-party contracts, expand renewable energy initiatives, review landbank portfolio to address pending administrative requirements and facilitate completion of title transfers, implement stricter accounts receivable management. Enhancing performance management and implementation of processes to address identified gaps in performance are important to given performance and funding constraints and rise in costs. To mitigate this risk, there will be bi-weekly operational review, implementation of cost saving initiatives such as installation of solar panel, vendor partnering, establishment of procurement team and policy, strict implementation of leasing policy, regular monitoring of outstanding receivables, and review of the business model and most optimal funding structure.

For more information on the Company's risk management, please refer to the 2025 Integrated Report to be posted on the Company's website, www.ayalalandlogistics.com.

Item 2. Properties

The Company and certain subsidiaries held office at a leased office space at 3rd Floor Glorietta 5, Ayala Center, Makati City in 2025. In February 2026, the Company moved its office to 5th Floor, Glorietta 4, Ayala Center, Makati City.

OLI's commercial buildings consist of a 5-storey shopping center and a 6-storey business process outsourcing office (South Park Center) are located along National Road, Alabang, Muntinlupa City.

TPI is the lessor of retail spaces in Tutuban Center which has a GLA of about 38,000 square meters, excluding leasehold spaces. Tutuban Center sits on about 8.5 hectares (has.) out of a 20-hectare property owned by the Philippine National Railways (PNR) being leased by TPI (includes land use and air rights) until September 4, 2039.

LTI holds office at the 2nd floor of its Administration Building 1 located at North Main Avenue, Laguna Technopark, Binan, Laguna. LTI has standard factory buildings (SFBs) for lease in Binan, Laguna; Naic, Cavite; and Porac, Pampanga. Its industrial park developments include the 166-hectare Cavite Technopark in Naic, Cavite and the 62-hectare Laguindingan Technopark in Habini Bay, Laguindingan, Misamis Oriental.

URDC owns Pampanga Technopark located in Mabalacat, Pampanga which covers 270 has. It has dry and cold storage facilities.

AAI has two cold storage facilities in Binan, Laguna, with lot areas of 11,800-sqm. and 7,527-sqm., one in Mandaue, Cebu located in a 2,800-sqm. lot., and another 6,244-sqm. facility in Sto. Tomas, Batangas.

LCVI's warehouses are located on a 14-hectare property in Calamba, Laguna.

OPDI owns (a) about 31 has. raw land in Kay-Anlog, Laguna; (b) ridge area near Homelands Subdivision, with an area of 21,148 sqm.; (c) a 31,087-sqm. industrial lot in Calamba, Laguna; and (d) a 23,301-sqm. industrial lot in Calamba, Laguna. TPI Holdings Corporation* owns a 1,095-sqm. lot in Sto. Tomas, Batangas.

A-FLOW Land I Corp. hold title to a 5-has. property in Mamplasan, Binan, Laguna, leased to A-FLOW I Properties Corp.'s data center.

**The Securities and Exchange Commission has approved the shortening of its corporate term on 27 April 2023.*

Item 3. Legal Proceedings

- a. *FLT Prime Insurance Corporation vs. Solid Guaranty, Inc.*
Civil Case No. 14-981 Makati RTC Branch 59
C.A. G.R. CV No. 110458 SC G.R. No. 248094
For: Recovery of Sum of Money and Damages

Status: Supreme Court (SC) reversed the Court of Appeals (CA) Decision;
Case remanded to the RTC for continuation of trial

In April 2014, FLT Prime (FLT) filed a complaint for recovery of sum of money and damages against its reinsurer, Solid Guaranty (SGI), in the amount of P10,721,938.50 representing SGI's 45% share in the final settlement amount paid by FPIC to its assured Top Forest Developers, Inc.

On July 26, 2017, the court granted FLT's Motion for Summary Judgment and ordered defendant to pay the amount of P10,721,938.50 with interest for the delay at the rate of 13.71% per annum commencing on January 7, 2021 until fully paid, attorney's fees in the amount of P500,000.00 and costs of suit.

Defendant filed an appeal with the CA which affirmed the RTC Decision. Defendant filed a Petition for Review (PR) with the SC.

The SC, its Resolution dated November 11, 2021, granted the PR and reversed the CA Resolution. The SC ruled that summary judgment is not proper in this case where the reinsurer consistently disputed the data and records used for the valuation of the assured's claim and that the CA erred in sustaining the trial court's summary judgment that automatically applied the follow the fortunes clause. The SC ordered that the case be remanded to the RTC for continuation of trial. FLT's MR was denied by the SC. The presentation of FPIC's witnesses is set on May 7, 2026.

Item 4. Submission of Matters to a Vote of Security Holders

The following items will be submitted for approval of the stockholders:

- a. Approval of the minutes of the 2025 annual stockholders' meeting held on April 24, 2025, covering the following matters presented for resolution of the stockholders, which were all duly approved by a majority of the stockholders present and represented in the meeting:
- (i) Approval of the minutes of the 2023 annual stockholders' meeting;
 - (ii) Annual report for calendar year 2023 including the consolidated Audited Financial Statements for the calendar year December 31, 2023;
 - (iii) Ratification of the acts of the Board of Directors and Officers during the preceding year;
 - (iv) Election of incumbent directors, including the independent directors; and
 - (v) Appointment of the Isla Lipana as the external auditor of the Corporation for the year 2024 and fixing of its remuneration.

The minutes of the 2025 Annual Stockholders' Meeting had been uploaded to the Company's website within five (5) business days from the date of the meeting and may be viewed through the following link:

In addition, the 2025 minutes contain the following information:

- (i) A description of the voting and vote tabulation procedures used in the meeting;
 - (ii) A description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given;
 - (iii) The matters discussed and resolutions reached;
 - (iv) A record of the voting results for each agenda item;
 - (v) A list of the directors, officers and the percentage of outstanding and voting shares of stockholders who attended and participated in the meeting;
 - (vi) Information on the stockholders who participated in the meeting and their voting rights;
 - (vii) A description of the Company's performance including business strategy and other affairs as presented in the Annual Report of Officers; and
 - (viii) All other matters taken up related to good governance and the protection of minority stockholders.
- b. Approval of the audited financial statements and supplementary schedules, including noting of annual report of management for the year ending December 31, 2024.

Except for the above matters taken up during the annual stockholders' meeting, there was no other matter submitted to a vote of the security holders of the Company during the period covered by this report.

PART II- OPERATIONAL AND FINANCIAL INFORMATION

Item 5. Market for Issuer's Common Equity for Issuer's Common Equity and Related Stockholder Matters

Market Information

The Company's Common Shares are listed and principally traded in the PSE. The high and low sales prices* of the Company's securities for each quarter are indicated in the table below:

	High	Low
<i>Calendar Year 2026</i>		
1 st Quarter (Jan. – Mar. 2026)	₱1.56	₱1.20
<i>Calendar Year 2025</i>		
1 st Quarter (Jan.-Mar. 2025)	₱1.77	₱1.43
2 nd Quarter (Apr. – June 2025)	1.59	1.33
3 rd Quarter (July.- Sept. 2026)	1.57	1.35
4 th Quarter (Oct.- Dec. 2026)	1.45	1.25
<i>Calendar Year 2024</i>		
1 st Quarter (Jan.- Mar. 2024)	₱2.25	₱1.68
2 nd Quarter (Apr.- June 2024)	2.15	1.72
3 rd Quarter (Jul.- Sept. 2024)	2.12	1.73
4 th Quarter (Oct.- Dec. 2024)	2.18	1.62

*provided by PSE Market Data Department

Stock price as of latest practicable trading date of April 13, 2026 is ₱1.15 per share.

Holders

As of March 31, 2026, the Company has 726 stockholders. The following are the top 20 stockholders of the Company based on the records of the Company's Stock and Transfer Agent, Stock Transfer Service, Inc.:

	Stockholder Name	No. of common shares	Percentage of common shares
1.	Ayala Land, Inc.	4,467,752,831	70.90%
2.	PCD Nominee Corporation (Filipino)	1,135,948,074	18.03%
3.	F. Yap Securities, Inc.	279,854,100	4.44%
4.	ESOWN Administrator 2019	103,098,980	1.64%
5.	PCD Nominee Corporation (Non-Filipino)	83,049,437	1.32%
6.	Orion Land, Inc.	49,444,216	0.78%
7.	YHS Holdings Corporation	22,900,000	0.36%
8.	Caridad Say	22,370,000	0.35%
9.	ESOWN Administrator 2018	19,967,400	0.32%
10.	SEC Account FAO: Various Customers of Guoco Securities (Philippines), Inc.	18,076,380	0.29%
11.	Victor Say	15,000,000	0.24%
12.	Coronet Property Holdings Corp.	6,000,000	0.10%
13.	Federal Homes, Inc.	5,492,000	0.09%
14.	PLLIM Investments, Inc.	4,600,000	0.07%
15.	Dao Heng Securities (Phils.), Inc.	4,015,000	0.06%
16.	Kristine Chai Gaisano	3,900,000	0.06%
17.	Felipe Yap	3,010,000	0.05%
18.	Double D MDSE Corporation	2,527,000	0.04%
19.	Alan M. Lirio Or Rossana C. Lirio	2,409,000	0.04%
20.	Efren Chua Yap	2,400,000	0.04%

Dividends

There were no dividend declarations for the years 2023 to 2025.

Dividend Policy

As provided in the By-laws, dividends shall be declared only from surplus profit and shall be payable at such times and in such amounts as the Board of Directors may determine. The dividends shall be payable in cash or in shares of stock from the unissued stock of the Company, or both as the Board may determine. No dividend shall be declared that will impair the capital of the Company.

Cash dividends are subject to the approval of the Board of Directors but no stockholder approval is required. For stock dividends, approval of the Board and the stockholders holding two-thirds of the capital stock of the Company are required.

Recent Sales of Unregistered Securities

The Company has not sold any unregistered securities within the past three fiscal years.

Item 6. Management's Discussion and Analysis or Plan of Operation

Review of 2025 Consolidated Results of Operations versus 2024

For the year ended 31 December 2025, AyalaLand Logistics Holdings Corp. ("ALLHC" or the "Group") registered consolidated revenues of P3.8 billion versus P5.2 billion the year prior, or a 28% decrease year-on-year. Net income decreased by 69% to P220.2 million from P700.8 million in 2024. The decline is mainly due to lower industrial lot sales and modest performance across warehouse, cold storage and commercial leasing.

Earnings per share for the year ended 31 December 2025 was P0.04 which was P0.07 lower than P0.11 last year.

Business Segments

The breakdown of the revenues are as follows:

Segment	Amount – P' million			
	2025	2024	2025 vs. 2024	Change
Real estate sales	1,675.3	3,344.4	(1,669.1)	(50%)
Rental and storage services	1,988.2	1,843.4	144.8	8%
Others	87.2	-	87.2	100%
Total	3,750.7	5,187.8	1,437.1	(28%)

Real estate sales. This segment pertains to sale of industrial lots. Industrial lot sales revenues stood at P1.7 billion, 50% lower compared to 2024's post of P3.3 billion.

Rental and storage services. This segment covers operations of the following:

Commercial leasing. The combined revenues of Tutuban Center and South Park Center including recoveries amounted to P934.8 million which was 2% higher than P918.6 million revenues last year due to the improved mall occupancy in South Park Center. The Group ended with 94k square meters (sqm.) of gross leasable area (GLA).

Warehouse leasing. Revenues declined by 2% to P745.3 million in 2025 from P761.3 million due to gradual movement in month-on-month occupancy. Total warehouse GLA grew by 11% to 379k sqm in 2025 from 340k sqm in 2024 mainly due to the addition of new facilities in Iloilo, Pangasinan and Pampanga.

Cold storage services. Cold storage revenues in 2025 posted P308.1 million which was 89% higher than P163.5 million in 2024. The Group ended the year with a total pallet position count of 31k with the addition of new facilities in Iloilo and Pangasinan.

Others. This consists of land lease and non-recurring revenues from sale of non-core assets.

Expenses

Consolidated costs of real estate, cost of rental and cost of storage services amounted to P2.3 billion in 2025 compared to P3.4 billion in 2024, or 34% lower mainly due to decrease in lot sales. Operating expenses of P388.7 million incurred in 2025 were 25% higher compared to P310.5 million in 2024.

Financial Condition

Total Assets of the Group stood at P32.2 billion as of 31 December 2025, 5% higher than P30.7 billion as of 31 December 2024 on account of inventory acquisitions, additional investments and ongoing land development and construction projects.

Total Liabilities increased by 8% to P17.1 billion compared to P15.9 billion last year due to additional bank loans and intercompany borrowings.

Total Equity registered at P15.1 billion was 1% higher than the equity of P14.9 billion last year due to the net income for the year.

Financing Through Loans

As of 31 December 2025, the Group had outstanding loans from financial institution amounting to P3.5 billion.

Key Variable and Other Qualitative and Quantitative Factors

Ratio	Formula	31-Dec-2025	31-Dec-2024
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	0.91:1 10,488,018 / 11,474,175	1.15:1 11,320,682 / 9,846,498
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Equity}}$	1.13:1 17,080,000 / 15,105,868	1.07:1 15,854,863 / 14,884,433
Net Debt to Equity Ratio	$\frac{\text{Net Liabilities}}{\text{Equity}}$	1.00:1 15,099,145 / 15,105,868	0.92:1 13,624,071 / 14,884,433
Capital Adequacy Ratio	$\frac{\text{Equity}}{\text{Total Assets}}$	0.47 15,105,868 / 32,185,868	0.48 14,884,433 / 30,739,296
Book Value per Share	$\frac{\text{Equity}}{\text{Total \# of Shares}}$	2.40 15,105,868 / 6,301,592	2.36 14,884,433 / 6,301,592
Income per Share	$\frac{\text{Net Income}}{\text{Total \# of Shares}}$	0.04 220,229 / 6,252,148	0.11 700,756 / 6,252,148

Current ratio shows the Group's ability to meet its short-term financial obligation. As of 31 December 2025, the Group's current ratio is 0.91x compared to 1.15x as of 31 December 2024.

Debt to Equity ratio indicates the extent of the Group's debt which is covered by shareholders' fund. It reflects the relative position of the equity holders. The higher the ratio, the greater the risk being assumed by the creditors. A lower ratio generally indicates greater long-term financial safety. Debt-to-equity ratio slightly increased at 1.13:1.

Net Debt to Equity Ratio is a measure of the Group's financial leverage. It is calculated by dividing net liabilities over Equity. Net liabilities is the difference of Total Liabilities less deferred payables, lease liabilities and cash and cash equivalents. Net debt-to-equity ratio as of 31 December 2025 was 1.00 as compared to 0.92 in 31 December 2024 due to additional bank loans and intercompany borrowings.

Capital Adequacy Ratio is computed by dividing the Total Stockholders' Equity over Total Assets. It measures the financial strength of the Company. As of 31 December 2025, the Group's Capital Adequacy Ratio is at 0.47 compared to the same period last year of 0.48.

Book value per share measures the recoverable amount in the event of liquidation if assets are realized at book value. As of 31 December 2025, the Group's book value per share of P2.40 was higher than P2.36 as of 31 December 2024.

Income per share is calculated by dividing net income by the weighted average number of shares issued and outstanding. As of 31 December 2025, the Group's income per share was at P0.04 versus last year's P0.11.

(i) **Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.**

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company and its subsidiaries' liquidity increasing or decreasing in any material way.

(ii) **Events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.**

There are no known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

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

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

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

The total Group's total capital expenditures in 2025 amounted to P2.7 billion. Of said amount, 32% was spent for land acquisition and development of real estate projects and 68% was spent for commercial and leasing projects. This was financed through internally generated funds, external financing and intercompany borrowings.

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

The Group did not have any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales or revenues or income from continuing operations.

- (vi) **Any significant elements of income or loss that did not arise from the registrant's continuing operations.**

The Group did not recognize income or loss during the period that did not arise from continuing operations.

- (vii) **Causes of Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%).**

- a. Cash and cash equivalents stood at P155.1 million, 36% lower than the P242.7 million last year. Net decrease was mainly driven by cash flows spent on investing activities.
- b. Receivables - current decreased by 24% to P2,285.5 million from P2,989.1 million due to the sale of receivables and collection of installment lot sales receivables.
- c. Amounts owed by related parties is posted at P875.1 million or 6% decrease from P932.7 million due to decrease in intercompany lending.
- d. Financial assets at fair value through profit or loss was at nil compared to P4.9 million last year as a result of the sale of investments in redeemable preferred shares and Unit Investment Trust Fund (UITF).
- e. Other current assets decreased by 10% to P1,299.1 million due to reclassification of advances to contractors and suppliers to noncurrent portion.
- f. Investments in joint venture amounted to P1,217.1 million or 65% increase driven by the additional investment in data center business and equity in net loss from operations.
- g. Right of use assets, net decreased by 8% to P915.3 million in 2025 compared to P999.8 million in 2024 due to amortization during the year.
- h. Property and equipment, net increased from P1,702.8 million to P3,177.8 million, 87% higher due to additional expansion of leasing businesses.
- i. Net pension assets was at nil from P1.5 million due to increase in retirement benefit obligation.
- j. Deferred tax assets decreased by 12% from P182.1 million to P160.7 million due to expiration of NOLCO.
- k. Other non-current assets posted at P1,270.1 million is 60% higher from last year due to reclassification to noncurrent portion of the input VAT and creditable withholding taxes that are expected to be utilized beyond twelve months after the end of the reporting period.
- l. Amounts owed to related parties principally consisting of interest-bearing advances, increased by 8% to P7,679.5 million from P7,124.9 million as of 31 December 2024 due to additional capital expenditure funding requirements.

- m. Short-term debt and current portion of long-term debts amounted to P1,124.8 million or 4435% higher than P24.8 million from last year due to additional bank loan financing.
- n. Income tax payable amounted to P4.9 million or 9% lower than P5.4 million as of 31 December 2024 due to lower lot sales.
- o. Lease liabilities – current portion increased by 345% to P160.4 million primarily from increase in effective yearly amortization.
- p. Installment payable – net of current portion decreased by 58% to P188.7 million from P444.4 million in 2024 due to settlement on installment payables.
- q. Rental and other deposits - current portion registered at P270.6 million is 33% lower due to renewal of expiring contracts which were reclassified to noncurrent portion.
- r. Rental and other deposits - net of current portion registered at P704.7 million is 53% higher due to additional tenants and contracts renewal.
- s. Lease liabilities – net of current portion decreased by 18% to P1,368.7 million from P1,677.4 million mainly due to account reclassification.
- t. Net pension liabilities increased to P9.7 million due to increase in employee headcount.
- u. Deferred income tax liabilities, net increased to P296.6 million or 8% due to deferred lot sales.
- v. Other non-current liabilities decreased by 12% to P639.4 million due to payment of retention payable related to capital expenditures during the year.
- w. Non-controlling interests increased by 7% to P289.2 million as a result of net income of subsidiaries with minority holders during the year.

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

There are no known seasonal aspects that had a material effect on the financial condition or results of operations.

Review of 2024 Consolidated Results of Operations versus 2023

For the year ended 31 December 2024, AyalaLand Logistics Holdings Corp. (“ALLHC” or the “Group”) registered consolidated revenues of P5.2 billion versus P3.5 billion the year prior, or a 48% increase year-on-year. Net income increased by 10% to P700.8 million from P636.1 million in 2023. The improved performance reflects higher industrial lot sales and solid performance across warehouse, cold storage and commercial operations.

Earnings per share for the year ended 31 December 2024 was P0.11 which was P0.01 higher than P0.10 last year.

Business Segments

The breakdown of the revenues are as follows:

Segment	Amount – P' million			
	2024	2023	2024 vs. 2023	Change
Real estate sales	3,344.4	1,549.0	1,795.4	116%
Rental services	1,679.9	1,531.1	148.8	10%
Cold storage services	163.5	176.4	(12.9)	(7%)
Others	-	253.5	(253.5)	(100%)
Total	5,187.8	3,510.0	1,677.8	48%

Real estate sales. This segment pertains to sale of industrial lots. Industrial lot sales revenues stood at P3.3 billion, 116% higher compared to 2023's post of P1.5 billion.

Rental services. This segment covers operations of the following:

Commercial leasing. The combined revenues of Tutuban Center and South Park Center including recoveries amounted to P918.6 million which was 5% higher than P872.0 million revenues last year due to the improved mall occupancy in South Park Center and steady office leasing revenues. The Group ended with 96k square meters (sqm.) of gross leasable area (GLA).

Warehouse leasing. Revenues rose by 16% to P761.3 million in 2024 from P659.1 million with the contribution of additional gross leasable area from ALogis Naic BTS, Naic 2 and Calamba. Total warehouse GLA grew by 8% to 340k sqm in 2024 from 314k sqm in 2023.

Cold storage services. Cold storage revenues in 2024 posted P163.5 million which was 7% lower than the P176.4 million in 2023 due to lower occupancy and ramping up of new facilities. The Group ended the year with a total pallet position count of 20k with the addition of Sto.Tomas and Mabalacat.

Others. This consists of non-recurring revenues mainly from sale of non-core assets.

Expenses

Consolidated costs of real estate, cost of rental and cost of storage services amounted to P3.4 billion in 2024 compared to P2.3 billion in 2023, or 48% higher, due to increase in lot sales. Operating expenses of P310.5 million incurred in 2024 were 38% higher compared to P224.4 million in 2023.

Financial Condition

Total Assets of the Group stood at P30.7 billion as of 31 December 2024, 7% higher than P28.6 billion as of 31 December 2023, due to increase in installment receivables, inventory acquisitions and ongoing land development and construction projects.

Total Liabilities increased by 8% to P15.9 billion compared to P14.7 billion last year due to intercompany borrowings and payables related to capital expenditures.

Total Equity registered at P14.9 billion was 7% higher than the equity of P13.9 billion last year mainly due to positive result during the year and change in accounting policy related to adoption of PFRS 15.

Financing Through Loans

As of 31 December 2024, the Group had outstanding loans from financial institution amounting to P2.4 billion.

Prospects for the future

The Group is committed to build a national footprint through key presence all over the country. As part of its short-term plans, the Group targets to continuously grow its warehouse leasable area, expand its cold storage business, and diversify its products.

Key Variable and Other Qualitative and Quantitative Factors

Ratio	Formula	31-Dec-2024	31-Dec-2023
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.15: 1 11,320,682 / 9,846,345	1.14: 1 9,737,010 / 8,558,036
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Equity}}$	1.07: 1 15,854,863 / 14,884,433	1.06: 1 14,714,920 / 13,907,209
Net Debt to Equity Ratio	$\frac{\text{Net Liabilities}}{\text{Equity}}$	0.92: 1 13,624,071 / 14,884,433	0.90: 1 12,508,837 / 13,907,209
Capital Adequacy Ratio	$\frac{\text{Equity}}{\text{Total Assets}}$	0.48 14,884,433 / 30,739,296	0.49 13,907,209 / 28,622,129
Book Value per Share	$\frac{\text{Equity}}{\text{Total \# of Shares}}$	2.36 14,884,433 / 6,301,592	2.21 13,907,209 / 6,301,592

Income per Share	<u>Net Income</u>	0.11	0.10
	Total # of Shares	700,756 / 6,252,148	636,107 / 6,252,148

Current ratio shows the Group's ability to meet its short-term financial obligation. As of 31 December 2024, the Group's current ratio is 1.15x compared to 1.14x as of 31 December 2023. The Group has sufficient current assets to support its current liabilities as of the period.

Debt to Equity ratio indicates the extent of the Group's debt which is covered by shareholders' fund. It reflects the relative position of the equity holders. The higher the ratio, the greater the risk being assumed by the creditors. A lower ratio generally indicates greater long-term financial safety. Debt-to-equity ratio slightly increased at 1.07:1.

Net Debt to Equity Ratio is a measure of the Group's financial leverage. It is calculated by dividing net liabilities over Equity. Net liabilities is the difference of Total Liabilities less deferred payables, lease liabilities and cash and cash equivalents. Net debt-to-equity ratio as of 31 December 2024 was 0.92 as compared to 0.90 in 31 December 2023 due to additional intercompany loans and increase in accounts payable.

Capital Adequacy Ratio is computed by dividing the Total Stockholders' Equity over Total Assets. It measures the financial strength of the Company. As of 31 December 2024, the Group's Capital Adequacy Ratio is at 0.48 compared to the same period last year of 0.49.

Book value per share measures the recoverable amount in the event of liquidation if assets are realized at book value. As of 31 December 2024, the Group's book value per share of P2.36 was higher than P2.21 as of 31 December 2023.

Income per share is calculated by dividing net income by the weighted average number of shares issued and outstanding. As of 31 December 2024, the Group's income per share was at par at P0.11 versus last year.

(i) ***Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.***

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company and its subsidiaries' liquidity increasing or decreasing in any material way.

(ii) ***Events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.***

There are no known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

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

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

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

The total Group's total capital expenditures in 2024 amounted to P3.7 billion. 65% was spent for land acquisition and development of real estate projects and 35% was spent for commercial and leasing projects. This was financed through internally generated funds and intercompany borrowings.

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

The Group did not have any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales or revenues or income from continuing operations.

(vi) Any significant elements of income or loss that did not arise from the registrant's continuing operations.

The Group did not recognize income or loss during the period that did not arise from continuing operations.

(vii) Causes of Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%).

- a. Cash and cash equivalents stood at P242.7 million, 13% higher than the P214.7 million last year. Net increase in the account was mainly driven by cash from operations and financing activities.
- b. Receivables, net - current increased by 113% to P2,989.1 million due to increase in installment receivables from lot sales.
- c. Real estate held for sale and development increased by 13% to P5,705.9 million mainly due to land acquisition and development.
- d. Amounts owed by related parties posted at P932.7 million or a 36% increase from P685.5 million due to additional lending of intercompany loans.
- e. Other current assets decreased by 39% to P1,445.3 million due to collection of advances to suppliers and contractors.
- f. Receivables - net of current portion decreased by 21% to P2,639.0 million due to collection of installment receivables from lot sales.
- g. Financial assets at fair value through other comprehensive income amounted to P151.3 million is 19% higher from last year due to increase in fair value of equity securities.
- h. Investments in joint venture amounted to P737.6 million is driven by additional investment in data center business.
- i. Right of use assets, net decreased by 6% to P999.8 million compared to P1,066.0 million in 2023 due to amortization during the year.
- j. Property and equipment – net increased from P1,234.4 million to P1,702.8 million, 38% higher due to additional expansion of leasing businesses.
- k. Net pension assets decreased by 66% to P1.5 million due to increase in retirement benefit expense and actuarial losses.
- l. Other non-current assets posted at P796.0 million is 430% higher from last year due to input VAT and creditable withholding taxes expected to be utilized beyond twelve months after the end of the reporting period.
- m. Accounts payable and accrued expenses increased by 51% to P2,250.6 million from P1,493.0 million on account due to increase in payable to vendors.
- n. Current portion of long-term debt from bank, which is expected to be settled within one year, amounted to P24.8 million or 18% lower than P21.1 million from last year.
- o. Lease liabilities – current portion decreased by 77% to P36.0 million from P156.0 million mainly due to account reclassification.
- p. Rental and other deposits - current portion registered at P404.7 million, 8% lower due to renewal of expiring contracts.
- q. Amounts owed to related parties principally consisting of interest-bearing advances, increased by 11% to P7,124.9 million from P6,434.9 million as of 31 December 2023 to fund the capital expenditure requirements.
- r. Income tax payable amounted to P5.4 million or 46% lower than P11.0 million, as of 31 December 2023 due to income tax holiday incentives.

- s. Rental and other deposits - net of current portion registered at P461.3 million, 6% higher due to additional tenants and contracts renewal.
- t. Installment payable – net of current portion decreased by 44% to P444.4 million from P788.4 million in 2023 due to settlement on installment payables.
- u. Lease liabilities – net of current portion increased by 7% to P1,677.4 million from P1,569.0 million mainly due to account reclassification.
- v. Deferred income tax liabilities, net increased to P274.7 million or 5% due to deferred lot sales.
- w. Other non-current liabilities increased by 11% to P729.7 million due to additional retention payable related to capital expenditures during the year.
- x. Retained Earnings increased by 23% to P5,126.8 million mainly due to positive result during the year and change in accounting policy related to adoption of PFRS 15.

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

There are no known seasonal aspects that had a material effect on the financial condition or results of operations.

Review of 2023 Consolidated Results of Operations versus 2022

For the year ended 31 December 2023, AyalaLand Logistics Holdings Corp. (“ALLHC” or the “Group”) registered consolidated revenues of P3.51 billion versus P4.21 billion the year prior, experiencing a 17% drop. Net income decreased by 37% to P636.1 million from P1.01 billion in 2022. The performance reflects lower booked industrial lot sales on account of ongoing development works for our industrial estates amidst improvements in warehouse, cold storage, and commercial leasing operations.

Earnings per share for the year ended 31 December 2023 was P0.10 which was 37% lower than P0.16 last year.

Business Segments

The breakdown of the revenues are as follows:

Segment	Amount – P’ million			
	2023	2022	2023 vs. 2022	Change
Real estate sales	1,763.2	2,354.3	(591.1)	(25%)
Rental and storage services	1,746.8	1,579.1	167.7	11%
Sale of electricity	–	274.7	(274.7)	(100%)
Total	3,510.0	4,208.1	(698.1)	(17%)

Real estate sales. This segment pertains to sale of industrial lots and non-core assets. Industrial lot sales revenues stood at P1.55 billion, 34% lower compared to 2022’s post of P2.35 billion. Sale of non-core assets amounted to P214.2 million in 2023.

Rental and storage services. This segment covers operations of the following:

Commercial leasing. The combined revenues of Tutuban Center and South Park Center amounted to P646.1 million which was 19% higher than P544.1 million revenues last year due to the improved mall occupancies and mall rentals, increased foot traffic, and steady office leasing revenues. Recoveries amounting to P225.9 million and P266.0 million were also recognized as part of revenues in 2023 and 2022, respectively. The Group ended with 95K square meters (sqm.) of gross leasable area (GLA).

Warehouse leasing. Revenues rose by 2% to P659.1 million in 2023 from P648.5 million with the contribution of additional gross leasable area from ALogis Naic. Total warehouse GLA grew by 2% to 314k sqm from 309k in 2022.

Cold storage. In 2021, the Group entered the cold storage market. Cold storage revenues in 2023 posted P176.4 million which was 46% higher than the P120.5 million in 2022 from the full

year contribution of ALogis Artico Mandaue. The Group ended the year with a total pallet position count of 10,300.

Others. Revenues generated from land leased to the data center business and other services amounted to P39.3 million in 2023.

Sale of electricity. This pertains to retail electricity supply (RES) service to industrial park locators and external commercial customers. No revenues were recognized in 2023 given all RES contracts have been assigned to focus on real estate logistics business.

Expenses

Consolidated costs of real estate and services costs from rental and sale of electricity amounted to P2,324.0 million in 2023 compared to P2,643.7 million in 2022, or 12% lower, due to decrease in lot sales and discontinuation of RES service in 2023. Operating expenses of P224.4 million incurred in 2022 were 29% higher compared to P174.1 million in 2022.

Project and Capital Expenditures

The Group spent P3.9 billion in capital expenditures to support the completion of new projects and aggressive expansion, of which P2.2 billion was spent for land development, P1.2 billion for building improvements, and P0.5 billion for land acquisition.

Financial Condition

Total Assets of the Group stood at P28.62 billion as of 31 December 2023, 12% higher than 25.64 billion as of 31 December 2022, due to increase in installment receivables, land acquisitions and development, improvements in warehouse facilities, and additional investments in joint venture.

Total liabilities increased by 18% to P14.71 billion compared to P12.42 billion last year due to intercompany borrowings and payables related to capital expenditures.

Total Equity registered at P13.91 billion was 5% higher than the equity of P13.22 billion last year mainly due to the impact of net income during the year and an increase in non-controlling interest.

Financing Through Loans

As of 31 December 2023, the Group had outstanding loans from financial institution amounting to P2.47 billion.

Prospects for the future

The Group is committed to build a national footprint through key presence all over the country. As part of its short-term plans, the Group targets to continuously grow its warehouse leasable area, expand its cold storage business, and diversify its products.

Key Variable and Other Qualitative and Quantitative Factors

Ratio	Formula	31-Dec-2023	31-Dec-2022
Current Ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	1.14: 1 9,737,010 / 8,558,036	1.33: 1 8,917,453 / 6,693,534
Debt to Equity Ratio	$\frac{\text{Total Liabilities}}{\text{Equity}}$	1.06: 1 14,714,920 / 13,907,209	0.94: 1 12,419,531 / 13,221,972
Net Debt to Equity Ratio	$\frac{\text{Net Liabilities}}{\text{Equity}}$	0.90: 1 12,508,837 / 13,907,209	0.75: 1 9,979,395 / 13,221,972
Capital Adequacy Ratio	$\frac{\text{Equity}}{\text{Total Assets}}$	0.49 13,907,209 / 28,622,129	0.52 13,221,972 / 25,641,503
Book Value per Share	$\frac{\text{Equity}}{\text{Total \# of Shares}}$	2.21 13,907,209 / 6,301,592	2.10 13,221,972 / 6,301,592
Income per Share	$\frac{\text{Net Income}}{\text{Total \# of Shares}}$	0.10 636,107 / 6,252,148	0.16 1,006,881 / 6,252,148

Current ratio shows the Group's ability to meet its short-term financial obligation. As of 31 December 2023, the Group has P1.14 worth of current assets for every peso of current liabilities compared to P1.33 as of 31 December 2022. The Group has sufficient current assets to support its current liabilities as of the period.

Debt to Equity ratio indicates the extent of the Group's debt which is covered by shareholders' fund. It reflects the relative position of the equity holders. The higher the ratio, the greater the risk being assumed by the creditors. A lower ratio generally indicates greater long-term financial safety. Compared to 31 December 2022, debt-to-equity ratio was higher due to additional borrowings incurred to acquire and develop land and warehouse facilities.

Net Debt to Equity Ratio is a measure of the Group's financial leverage. It is calculated by dividing net liabilities over Equity. Net liabilities is the difference of Total Liabilities less deferred payables, lease liabilities and cash and cash equivalents. Compared to 31 December 2022, net debt-to-equity ratio was higher at 0.90 due to additional intercompany loans and payables.

Capital Adequacy Ratio is computed by dividing the Total Stockholders' Equity over Total Assets. It measures the financial strength of the Company. As of 31 December 2023, the Group's Capital Adequacy Ratio was slightly lower at 0.49 compared to same period last year's 0.52.

Book value per share measures the recoverable amount in the event of liquidation if assets are realized at book value. As of 31 December 2023, the Group's book value per share of P2.21 was slightly higher than as of 31 December 2022.

Income per share is calculated by dividing net income by the weighted average number of shares issued and outstanding. As of 31 December 2023, the Group reported a P0.10 income per share which was 37% lower than last year.

- (i) ***Any known trends, demands, commitments, events or uncertainties that will have a material impact on issuer's liability.***

There are no known trends or any known demands, commitments, events or uncertainties that will result in or that are reasonably likely to result in the Company and its subsidiaries' liquidity increasing or decreasing in any material way.

- (ii) ***Events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.***

There are no known events that will trigger direct or contingent financial obligation that is material to the Group, including any default or acceleration of an obligation.

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

There are no known off-balance sheet transactions, arrangements, obligations (including contingent obligations), during the period.

- (iv) ***Any material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures.***

For 2023, the Group's adjusted budgeted total capital expenditures was P5.0 billion for projects, and it spent P3.9 billion as of 31 December 2023 for land acquisition and development, investment in buildings and improvements. This was financed through internally generated funds and intercompany borrowings.

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

The Group did not have any known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable impact on net sales or revenues or income from continuing operations.

- (vi) ***Any significant elements of income or loss that did not arise from the registrant's continuing operations.***

The Group did not recognize income or loss during the period that did not arise from continuing operations.

- (vii) ***Causes of Any Material Changes from Period to Period of FS which shall include vertical and horizontal analyses of any material item (5%).***

- a. Cash and cash equivalents stood at P214.7 million, 52% lower than the P450.6 million last year. Net decrease in the account was mainly driven by payments related to capital expenditures.
- b. Receivables - current decreased by 23% to P1,402.7 million resulting from collection of installment receivables from lot sales.
- c. Real estate held for sale and development increased by 15% to P5,045.2 million mainly due to additional land development cost.
- d. Amounts owed by related parties posted at P685.5 million or 34% increase from P509.8 million due to additional intercompany loans to fund capital expenditure requirements.
- e. Other current assets increased by 36% to P2,384.0 million due to increase in the advances to suppliers and contractors, and input tax.
- f. Receivables - net of current portion increased to P3,329.6 million or 52% higher due to installment receivables from lot sales.
- g. Investments in joint venture amounted to P677.8 million given the Group's additional investment in its data center business.
- h. Right of use asset decreased by 6% to P1,066.0 million in 2023 compared to P1,135.8 million in 2022 due to amortization during the year.
- i. Property, plant and equipment – net increased from P1,090.0 million to P1,234.4 million, 13% higher due to the expansion.
- j. Net pension assets decreased by 59% to P4.4 million due to increase in retirement benefit expense and actuarial losses.
- k. Deferred income tax assets - net increased by 47% from P124.0 million to P182.7 million mainly due unamortized discount on long-term receivables.
- l. Other non-current assets posted at P150.1 million, 14% lower due to refund of customer deposits.
- m. Accounts payable & accrued expenses decreased by 23% to P1,493.0 million from P1,930.2 million on account due to settlement of installment payable and other liabilities.
- n. Current portion of long term debt from bank, which is expected to be settled within one year, amounted to P21.1 million.
- o. Current portion of rental and other deposits registered at P442.2 million, 9% lower due to end of lease contracts.
- p. Current portion of lease liabilities decreased to P156.0 million from P597.7 million mainly due to account reclassification to non-current.
- q. Current portion of deferred rent income decreased by 87% to P0.9 million due to realization to income.
- r. Amounts owed to related parties principally consisting of interest-bearing advances and intercompany charges, increased by 75% to P6,434.9 million from P3,675.2 million as of 31 December 2022 to provide funding for capital expenditure requirements.
- s. Income tax payable amounted to P10.1 million from income tax due in excess of applicable creditable withholding tax.
- t. Rental and other deposits - net of current portion registered at P434.6 million, 46% higher due to additional tenants.
- u. Nontrade payable - non-current decreased by 19% to P788.4 million from P977.3 million in 2022 due to settlement on installment payables from the acquisition of

land and buildings.

- v. Lease liabilities – net of current portion increased by 38% to P1,569.0 million from P1,134.8 million mainly due to account reclassification.
- w. Deferred rent income – net of current portion decreased to P4.9 million from P6.1 million due to reclassification to current deferred rent income.
- x. Deferred income tax liabilities – net increased by 7% from P244.2 million to P260.6 million due to deferred income from installment sales.
- y. Other non-current liabilities increased by 9% to P655.3 million driven by increase in retention payable related to capital expenditures during the year.
- z. Retained Earnings increased by 18% to P4,171.6 million mainly due to net income during the year.
- aa. Non-controlling interest increased by 5% to P270.7 million from P258.9 million in 2022 due to the 40% equity interest of the Group’s partner in the joint venture company.

(viii) ***Any seasonal aspects that had a material effect on the financial condition or results of operations.***

There are no known seasonal aspects that had a material effect on the financial condition or results of operations.

Item 7. Financial Statements

The 2025 consolidated audited financial statements and schedules are filed with this report as indicated in the Index to Exhibits.

Item 8. Changes and Disagreements with Accountants on Accounting and Financial Disclosures

- a. Pursuant to the General Requirements of SRC Rule 68, Par. 3 (Qualifications and Reports of Independent Auditors), and upon the recommendation of the Audit Committee (composed of Mr. Emilio Lolito J. Tumbocon, Chairman, Ms. Cassandra Lianne S. Yap, and Mr. Agustin R. Montilla IV, members), the Company appointed Isla Lipana & Co. (Isla Lipana) as external auditor for CY 2025, with Mr. Zaldy D. Aguirre as the Partner-in-Charge.
- b. Representatives of Isla Lipana are expected to be present at the annual stockholders’ meeting (ASM). They will have the opportunity to make a statement if they so desire to do so, and are expected to be available to respond to questions related to the completed fiscal year review.

Upon the recommendation of its Audit Committee, the Board will present for approval the appointment of Isla Lipana as external auditor for 2026 and the fixing of its remuneration, at the ASM.

Changes and Disagreements with Accountants on Accounting and Financial Disclosures

The Company has engaged the services of Isla Lipana as its independent auditor for the two most recent fiscal years. There has been no resignation or dismissal of the external auditor of the Company for the past two (2) fiscal years. There were no disagreements with Isla Lipana on any matter of accounting principles or practices, financial statement disclosures, or auditing scope or procedure.

External Audit Fees and Services

Audit and Audit-Related Fees

The Company paid or accrued the following fees, including VAT to its external auditor Isla Lipana in the past two years:

Year	Audit	Audit Related Fees	Tax Fees	Non-Audit Fees*
2025	Php2,780,064.00	nil	nil	Php63,840.00
2024	Php3,139,360.00	nil	nil	Php63,840.00

* Fees paid to SyCip Gorres Velayo & Co. for validation of votes during the stockholders’ meetings

Isla Lipana was engaged by the Company for the annual and mid-year review of financial statements in connection with the statutory and regulatory filings or engagements for the years ended 2025 and 2024.

There were no audit-related fees.

There are no known assurance and related services rendered by the external auditor other than the services stated above for CY 2024 and 2023. The Audit Committee has a policy to review the audit and non-audit services rendered by the Independent Auditor to ensure that these do not impair the Independent Auditor's independence.

Tax Fees

No tax services were rendered by Isla Lipana or any other entity in 2025 and 2024.

All Other Fees (Non-Audit Fees)

The non-audit fees pertain to the services rendered by SyCip, Gorres, Velayo & Co. (SGV) for the validation of votes in relation to the Company's ASMs in 2025 and 2024. Isla Lipana did not render any non-audit services to the Company in 2025 and 2024.

The Audit Committee reviewed the nature of non-audit services rendered by SGV and the corresponding fees and concluded that these are not in conflict with the audit functions of the external auditors.

The Audit Committee has an existing policy to review the audit and non-audit services rendered by the Company's external auditor. It does not allow the Company to engage the external auditor for certain non-audit services expressly prohibited by regulations of the SEC to be performed by an external auditor for its audit clients. This is to ensure that the external auditor maintains the highest level of independence from the Company, both in fact and appearance.

PART III- CONTROL AND COMPENSATION INFORMATION

Item 9. Directors and Executive Officers of the Registrant

Directors and officers

The incumbent directors of the Company are as follows:

Anna Ma. Margarita B. Dy	Non-Executive Director, Chairman
Felipe U. Yap	Non-Executive Director, Vice Chairman
Robert S. Lao	Executive Director, President and Chief Executive Officer
Jaime Alfonso E. Zobel de Ayala	Non-Executive Director
Jose Eduardo A. Quimpo II	Executive Director, Treasurer
Nathanael C. Go	Non-Executive Director
Emilio Lolito J. Tumbocon	Lead Independent Director
Cassandra Lianne S. Yap	Independent Director
Agustin R. Montilla IV	Independent Director

All the directors except for Mr. Quimpo were elected on April 24, 2025 during the annual stockholders' meeting of the Company. Mr. Quimpo was elected on February 12, 2026 vice Mr. Augusto D. Bengzon. Mr. Bengzon served as director from August 12, 2025 to February 12, 2026, vice Mr. Bernard Vincent O. Dy.

The write-ups below include positions held as of February 12, 2026 and in the past five years and personal data as of February 12, 2026, of directors and executive officers, unless otherwise stated.

Board of Directors

Anna Ma. Margarita B. Dy, Filipino, 56
Chairman, Non-Executive Director since December 14, 2023

Skills and experience:

Ms. Dy is the President and Chief Executive Officer and Director of Ayala Land, Inc. (ALI) since October 1, 2023. She is a member of the Management Committee of ALI since August 2008. She is also the Chairperson of AREIT, Inc. and AyalaLand Logistics Holdings Corp., other Ayala publicly-listed companies. She was an Executive Vice President of ALI from January 1, 2023, to September 30, 2023, and

was a Senior Vice President from January 1, 2015, until December 31, 2022. Prior to becoming President, she was the Head of the Residential Business Group of ALI in 2022 and Head of the Malls Group in 2023. Before that, she also headed the Ayala Land Estates Group. Her other significant positions include President of Makati Development Corporation (Construction arm of Ayala Land, Inc.); Chairman of Amaia Southern Properties, Inc., Ayalaland Premier, Inc., Ayala Land International Sales, Inc., Avida Land Corp., Alveo Land Corp., Avencosouth Corp., Altaraza Development Corporation, Amaia Land, Inc., Amicassa Process Solutions, Inc., Ayala Property Management Corporation, Ayalaland-Tagle Properties, Inc., BGWest Properties, Inc., BGNorth Properties, Inc., Bellavita Land Corp., Cagayan de Oro Gateway Corp., Vesta Properties Holdings, Inc. Portico Land Corp. and Solinea, Inc.; Vice Chairman of Aurora Properties, Inc., CECI Realty, Inc., and Ayala Greenfield Development Corporation; President of AKL Properties, Inc.; President and Chief Executive Officer of Fort Bonifacio Development Corporation; and Director of Accendo Commercial Corp., ALI Eton Property Development Corporation, Berkshires Holdings, Inc., Bonifacio Land Corporation, Columbus Holdings, Inc., Emerging City Holdings, Inc., Nuevocentro, Inc., Serendra, Inc. and Alveo-Federal Land Communities Inc. She started her career in IBM, Bain and Benpres Holdings and obtained an AB in Economics degree from Ateneo de Manila, a Master of Science in Economics from London School of Economics and a Master in Business Administration from Harvard Business School.

Directorships in other publicly-listed companies:

Ayala Land, Inc. and AREIT, Inc.

Felipe U. Yap, Filipino, 88

Vice-Chairman, Non-Executive Director since 1993

Skills and experience:

Mr. Yap has been Vice Chairman of the Company from February 24, 2016. He was Chairman of the Board of Directors of the Company from 2000 to February 2016 and Vice Chairman from 1993 to 2000. His other significant positions include: Chairman of the Board and Chief Executive Officer of publicly-listed companies Lepanto Consolidated Mining Company, Manila Mining Corporation, and Zeus Holdings, Inc.; Chairman of the Board and CEO of Far Southeast Gold Resources, Inc., Lepanto Investment and Development Corporation, Diamant Manufacturing and Trading Corporation, Diamond Drilling Corporation of the Philippines, and Shipside, Inc.; Kalayaan Copper-Gold Resources, Inc., and Yapster e-Conglomerate, Inc.; Director of Manila Peninsula Hotel, Inc., Philippine Associated Smelting & Refining Corp. (PASAR). He graduated with a degree in B.A. Philosophy from the University of San Carlos in Cebu. He has extensive experience in the mining industry. He served as Chairman of the PSE Board of Governors from 2000 to 2002.

Directorships in other publicly-listed companies:

Lepanto Consolidated Mining Company, Manila Mining Corporation, and Zeus Holdings, Inc.

Robert S. Lao, Filipino, 52

President and Chief Executive Officer since August 2, 2023

Skills and experience:

Mr. Lao has been Senior Vice President of ALI and a member of its Management Committee since April 19, 2017. He is also the Group Head of Strategic Growth and New Ventures, heading the AyalaLand Logistics Holdings Corp., Central Land Acquisition Unit, External Affairs Division, and Sustainability Group. He is concurrently the Chairman and President of Bonifacio Global City Estate Association, Inc.; Chairman of A-Flow Land I Corp.; Bonifacio Estates Services Corporation, Glensworth Development, Inc. (now, AyalaLand Logiparks, Inc.), Sicogon Island Tourism Estate Corp., Sicogon Town Hotel, Inc.; Director and Executive Vice President of Fort Bonifacio Development Corp.; Director and Vice President of Berkshires Holdings, Inc., Bonifacio Land Corporation, Columbus Holdings, Inc. and Emerging City Holdings, Inc.; Director of Avaland Berhad; Accendo Commercial Corp., A-Flow Properties I Corp., ALI Eton Property Development Corp.; Aurora Properties Incorporated, Ayala Greenfield Development Corporation, Ayala Property Management Corporation, BGWest Properties, Inc., Cagayan De Oro Gateway Corp., Ceci Realty, Inc., FLT Prime Insurance Corporation, Orion Land, Inc., Serendra, Inc., Solinea, Inc., Station Square East Commercial Corporation, Tutuban Properties, Inc., Vesta Property Holdings, Inc., Bonifacio Transport Corporation and Bonifacio Water Corporation; Trustee and Treasurer of Bonifacio Art Foundation, Inc. Prior to joining Ayala Land, Inc., he served as a Senior Process Engineer of Fujitsu Computer Products Corporation of the Philippines (FCPP) and Lead Process Engineer of PT Quantum Electronics in Indonesia. He studied at the University of Santo Tomas (UST) and graduated cum laude with a Bachelor of Science in Industrial Engineering in 1995. He completed his Master's in Business Management (MBM) degree in 2001 from the Asian Institute of Management (AIM) and attended

the International Student Exchange Program of the University of Cologne in Germany.

Directorship in other publicly-listed companies:

Mr. Lao is not a director in any other publicly-listed companies.

Jose Eduardo A. Quimpo II, Filipino, 46
Executive Director since February 12, 2026
Treasurer since August 12, 2025

Skills and experience:

Mr. Quimpo joined Ayala Land, Inc. (ALI) in May 2024 and currently serves as its Senior Vice President, Chief Finance Officer, Treasurer and Chief Risk Officer. He is a Director of AREIT, Inc. and a Director and Treasurer of AyalaLand Logistics Holding Corp., the publicly-listed subsidiaries of ALI. His other significant positions include: Chairman and Director of AyalaLand Business Solutions, Inc.; Director and Vice Chairman of Portico Land Corp.; Director and Treasurer of ALI Eton Property Development Corporation, Alveo Land Corporation, Amaia Land Corp. (formerly First Communities Realty, Inc.), Amaia Southern Properties, Inc., Aurora Properties Incorporated, Avida Land Corp., AyalaLand Premier, Inc., AyalaLand-Tagle Properties, Inc., Bellavita Land Corp. (formerly South Maya Ventures Corp.), Ceci Realty Inc., Serendra, Inc., and Vesta Property Holdings, Inc.; Director of A-FLOW Land I Corp., A-FLOW Properties I Corp., Altaraza Development Corporation, Amicassa Process Solutions, Inc., Anvaya Cove Beach and Nature Club, Inc., Makati Development Corporation and Station Square East Commercial Corp.; and Treasurer of Ayala Land International Sales, Inc., Ayala Property Management Corp. and BGWest Properties, Inc.. Prior to joining Ayala Land, Mr. Quimpo held senior roles in investment banking, securities brokerage and wealth management. Mr. Quimpo obtained his Bachelor of Science degree in Management Engineering at Ateneo de Manila University.

Directorship in other publicly-listed companies:

AREIT, Inc.

Jaime Alfonso E. Zobel de Ayala, Filipino, 35
Non-Executive Director from May 14, 2020 to April 23, 2026

Skills and experience:

Mr. Zobel de Ayala is the Chief Executive Officer of ACMobility, a platform for mobility solutions including automotive distribution, dealership, aftersales services, and electric vehicle infrastructure. He is also a director of AC Industrials, Isuzu Philippines, BPI Capital Corporation, among others. He has been appointed as a member of the Inter-Agency Investment Promotion Coordination Committee (IIPCC), as the sole private sector representative of the National Capital Region of the Republic of the Philippines. Prior to his role in ACMobility, he was the Co-Head of the Strategic Development Group and Head of Business Development and Digital Ventures of Ayala Corporation. He graduated from Harvard University, Cambridge, Massachusetts, USA, with Primary Concentration in Government in 2013 and his Master's degree in Business Administration from Columbia Business School in New York in 2019.

Directorship in other publicly listed companies:

Globe Telecom, Inc. and ACEN Corporation

Nathanael C. Go, Filipino, 50
Non-Executive Director since January 13, 2017

Skills and experience:

Mr. Go is the President of Grenelle Central Corporation, Mighty and Strong (MAS) Food Corporation, United Harvest Corporation, and United Sustainment Solutions Corporation. Mr. Go graduated magna cum laude from Georgetown University with a BS degree in Foreign Service and completed his graduate studies in International Political Economy from the University of Warwick as a British Chevening scholar. Mr. Go worked in the Public Affairs practice of Burson Marsteller Beijing, and before that was a senior member of the Policy and Strategy Division of the National Security Council, Philippines.

Directorship in other publicly-listed companies:

Mr. Go is not a director in any other publicly-listed companies.

Emilio Lolito J. Tumbocon, Filipino, 69
Lead Independent Director since April 24, 2025

Skills and experience:

Mr. Tumbocon is presently a Commissioner of the Construction Industry Arbitration Commission; Director of Datem, Inc.; Chairman & President of the Makati Commercial Estate Association, Inc. (MACEA); Chairman & President of the Makati Parking Authority, Inc. (MAPA); Trustee of Project Management Institute, Philippines Chapter; and Chairman & President of Philippine Events, Exhibition & Convention Corporation (PEECC). He was the Group Head of Ayala Land, Inc. (ALI) Vismin Group, Human Resources & Public Affairs Group and Construction Management Group; and a member of the Management Committee of ALI until his retirement from ALI in December 2015. He was also the President of Makati Development Corporation and Ayala Property Management Corporation. He was a Senior Vice President of ALI and in the past has served as a board director of various ALI subsidiaries & affiliates. He graduated from the University of the Philippines with a Bachelor of Science degree in Civil Engineering in 1979, and has an MBA from the same university in 1985. He also took the Construction Executive Program at Stanford University, California, U.S.A., the Senior Business Executive Program at the University of Asia & the Pacific, and The Executive Program at the Darden Graduate School of Business Administration, University of Virginia, U.S.A. He is a certified Project Management Professional (PMP) of the Project Management Institute and a Fellow, Institute of Corporate Directors (FICD). He has 45 years of extensive experience in the project management, engineering & construction, and real estate industry.

Directorship in other publicly-listed companies:

Mr. Tumbocon is not a director in any other publicly-listed companies.

Agustin R. Montilla IV, Filipino, 56
Independent Director since April 24, 2025

Skills and experience:

Mr. Montilla has served as an independent director of Anvaya Cove Golf and Sports Club, Inc. since September 25, 2021. He joined Romulo Mabanta Buenaventura Sayoc & de los Angeles as an Associate in 1996. At Romulo, he was a senior partner and served on its executive board from 2016 until 2025. Mr. Montilla led the firm's teams working for its clients on mergers, acquisitions, private equity and capital markets transactions. While at Romulo, he served as Director of Lex Mundi, one of the largest global networks of independent law firms from 2019 to 2023. He is currently a member of the Board of Trustees of the Beacon International School Foundation, Inc.; member of the Board of Trustees and Chairman of the Cancer Resource and Wellness (Carewell) Community Foundation, Inc. He is President and shareholder of Dueno Alegre, Inc., ETM Philippines Holdings, Inc.; serves as Director and Corporate Secretary of SAL Buendia Holding Corp.; and as Corporate Secretary of The Asia Society Foundation Philippines and Montivar, Inc. In education, he has taught Western Civilization to most of Xavier School's class of 1993; held the post of Lecturer in Law at Ateneo de Manila University School of Law from 1999 to 2004 from where he graduated with honors in April 1995. In May 2002, he earned his Legum Magister from Columbia Law School in New York.

Directorship in other publicly-listed companies:

Mr. Montilla is not a director in any other publicly-listed company.

Cassandra Lianne S. Yap, Filipino, 36
Independent Director since April 13, 2020

Skills and experience:

Ms. Yap is the Vice President and Corporate Secretary of Zamcore Realty & Development Corp. She is also the President, Chief Operating Officer and Chief Executive Officer of Ferenzo Holdings & Development Corp. and the Executive Vice President of FelCris Hotels & Resorts Corp. She graduated in 2011 with a degree in Psychology from Kwantlen Polytechnic University in British Columbia.

Directorship in other publicly-listed companies:

Ms. Yap is not a director in any other publicly-listed company.

Senior Leadership Team/Key Officers

Robert S. Lao*	President & Chief Executive Officer
Jose Eduardo A. Quimpo II*	Treasurer
Patrick John C. Avila	Chief Operating Officer
Tristan John T. de Guzman	Chief Finance Officer, Compliance Officer & Chief Risk Officer
Ma. Florence Therese dG. Martirez-Cruz	Corporate Secretary
Jeffrey R. Legaspi	Chief Audit Executive
Millette A. Arnedo	Data Protection Officer

* Member of the Board of Directors

Patrick John C. Avila, Filipino, 44, has served as the Company's Chief Operating Officer since April 21, 2022. He is also the Chairman and President/CEO of Laguna Technopark, Inc., Orion Land, Inc. and Tutuban Properties, Inc.; Chairman and President of Unity Realty & Development Corporation, LCI Commercial Ventures, Inc., ALogis Artico, Inc., Orion Property Development, Inc., FLT Prime Insurance Corporation and Esta Galleria, Inc.; Director and President of Glensworth Development, Inc. (now AyalaLand Logipark, Inc.); Director of A-FLOW Land I Corp., A-FLOW Properties I Corp., Cavite Technopark Association, Inc., Laguindingan Technopark Association, Inc. and Pampanga Technopark Association, Inc. He joined Ayala Land, Inc. in August 2001 and was assigned to Alabang Town Center. In 2009, he moved to the Operations Group of Glorietta, and in 2013, to Laguna Technopark Inc. In 2018, he became the head of industrial parks and real estate logistics of ALLHC. He graduated cum laude from the University of the Philippines Manila with a degree in Bachelor of Arts in Social Science, major in Behavioral Studies in 2001. He finished his Master's degree in Public Management from the Ateneo School of Government in 2004. He also completed the Ayala Leadership Acceleration Program facilitated by Harvard Business Publishing in 2015.

Tristan John T. de Guzman, Filipino, 34, has served as the Chief Finance Officer, Compliance Officer and Chief Risk Officer of the Company since April 25, 2024. His other significant positions include: Director, Treasurer and Chief Finance Officer of Orion Property Development, Inc., and Esta Galleria, Inc.; Director and Treasurer of Orion Land, Inc., Tutuban Properties, Inc., Laguna Technopark, Inc., Unity Realty & Development Corporation, LCI Commercial Ventures, Inc., ALogis Artico, Inc., Glensworth Development, Inc. (now AyalaLand Logipark, Inc.) and FLT Prime Insurance Corporation; and Treasurer of A-FLOW Land I Corp. and A-FLOW Properties I Corp.. He joined Ayala Group in 2016 and served as Senior Manager for Corporate Finance and Finance Planning & Analysis at AC Industrials Group. Prior to Ayala, he worked at SyCip, Gorres, Velayo & Co. (2012-2015) and Shell Shared Services (Asia) B.V. (2015). He graduated cum laude from the University of Sto. Tomas with a degree in Bachelor of Science in Accountancy in 2012. He is a Certified Public Accountant and placed tenth in the CPA Licensure Examination in October 2012.

Ma. Florence Therese dG. Martirez-Cruz, Filipino, 40, has served as the Assistant Corporate Secretary of AREIT, Inc. since November 14, 2022, and Chief Compliance Officer of the AREIT, Inc. since April 26, 2023. She is the Corporate Secretary of AyalaLand Logistics Holdings Corp. and AREIT Fund Managers, Inc., and concurrently the Head of Legal of AREIT, Inc. and Ayalaland Offices, Inc. She is the Compliance Officer for Anti-Money Laundering of ALI, and the Legal Group Head for ALI's Leasing and Hospitality Group. She was the Assistant Corporate Secretary of Ayala Land, Inc. from April 26, 2023 to May 28, 2024. Prior to joining Ayalaland Offices, Inc. in 2021, she was a Senior Counsel and Counsel for AG Counselors Corporation, from 2019 to 2021, and 2016 to 2019, respectively. Prior to joining the Ayala Land Group, she worked as an Associate at the Leynes Lozada-Marquez Law Offices and a legal consultant in the Office of Senator Maria Lourdes Binay. She graduated from the University of the Philippines in 2007 with a Bachelor of Arts degree in Public Administration and obtained her Juris Doctor in 2011 from the same University. She finished the Program on Negotiation and Leadership at Harvard Law School in 2019 and the Certification Course for Compliance Officers by the Center for Global Best Practices in 2022 and was included in the Legal 500's GC Powerlist Philippines 2023.

Jeffery R. Legaspi, Filipino, 37, has been the Chief Audit Executive of the Company since May 4, 2023. He serves as Ayala Land, Inc. (ALI) Group Internal Audit Cluster Head of other ALI Strategic Business Units, specifically, Ayala Land Estates, Inc. and the Residential Business Group. He also served as Deputy Chief Finance Officer (2017-2019) of one of the Construction Divisions of Makati Development Corporation (MDC), a wholly-owned subsidiary of ALI. He was an Associate Internal Audit Manager at MDC prior to his reassignment to Finance. Before re-joining the ALI Group, he was the Senior Internal Audit Manager of Global-Estate Resorts, Inc. He holds a degree in Bachelor of Science in Accountancy from the Polytechnic University of the Philippines – Taguig Campus (PUP-Taguig), and is a Certified Public Accountant. He obtained his Master's Degree in Business Administration, major in Finance from De La Salle University Manila in 2024. He is an active member of the Institute of Internal Auditors - Philippines.

Millette A. Arnedo, Filipino, 52, has been Vice President, Chief Legal Officer and Assistant Corporate Secretary of ALI since June 1, 2024 and has been appointed as the Chief Compliance Officer on August 20, 2024 and as the Data Protection Officer on August 19, 2025. She is also the Corporate Secretary of Makati Development Corporation, MDC Concrete, Inc., and MDBI Construction Corporation, and MDTK Corporation. She is an accomplished legal professional with a proven track record of success in leadership roles within the legal field. She has demonstrated expertise in providing strategic legal counsel, ability to navigate legal complexities, mitigate risks, and deliver practical solutions that align with organizational objectives across different countries. Prior to joining the Corporation, she was the Senior Vice President, General Counsel and Compliance Officer of Filinvest Development Corp. from October 2021 to May 2024. She was also the Vice President and Chief Counsel for Emerging Markets of Viatrix Inc. from December 2019 to May 2021, and Vice President and International Legal Lead for Asia Pacific and China of Pfizer Inc. from February 2015 to November 2019. Ms. Arnedo graduated cum laude from De La Salle University where she took up AB Political Science. She pursued her Juris Doctor in Ateneo De Manila University, graduated in 1997 where she received second honors. In 2014 and 2023, she was recognized as one of Legal 500's Top 100 Lawyers in Asia.

The following served as directors and officer of the Company in 2025:

Bernard Vincent O. Dy, Filipino, 62

Non-Executive Director from February 24, 2016 to August 12, 2025

Mr. Dy was the Chairman of the Board of the Company from April 21, 2022 until December 14, 2023 and also from February 24, 2016 to April 12, 2018. He was elected director from April 12, 2018 to August 12, 2025. He served as President and CEO of Ayala Land, Inc. (ALI) from April 2014 until September 30, 2023, a publicly-listed company, and was a member of the Ayala Group Management Committee since April 2014. He served as chairman and director of various ALI subsidiaries during his time with ALI. Mr. Dy earned a degree of BBA in Accountancy from the University of Notre Dame in 1985, an MBA in 1989, and Masters in International Relations in 1997 from the University of Chicago.

Augusto D. Bengzon, Filipino, 62,

Non-Executive Director from July 2017 to May 2020; August 12, 2025 to February 12, 2026
Treasurer from May 14, 2020 to August 12, 2025

Mr. Bengzon joined Ayala Land, Inc. (ALI) in December 2004 and served as its Senior Vice President, Chief Finance Officer and Treasurer. He was a Director of AREIT, Inc., a publicly-listed company under the Ayala Group. He served as director of various ALI Group entities, and as treasurer, assistant treasurer, comptroller and chief finance officer in the many subsidiaries of ALI. He received his Bachelor of Science degree in Business Management from the Ateneo de Manila University and is a graduate of the Philippine Trust Institute. He was granted the Andres K. Roxas scholarship at the Asian Institute of Management where he received his Masters in Business Management degree.

Rex Maria A. Mendoza, Filipino, 63

Independent Director since February 26, 2016

Lead Independent Director from July 18, 2017 to April 24, 2025

Mr. Mendoza is an Independent Director of Ayala Land, Inc. (ALI) and National Reinsurance Corporation (NatRe), all listed companies in the Philippine Stock Exchange. He is the Chairman of Rampver Financials, a dynamic player in financial services specializing in investment, and one of the biggest distributors of mutual funds in the Philippines. He is the Chairman of the Soldivo Funds and also a director of Esquire Financing, G-Xchange Inc. (GXI or Gcash), Seedbox Technologies, Seven Tall Trees Events Management (The Blue Leaf), The Cullinan Group, Mobile Group Inc. and many other leading companies in different fields. He is the author of two books, Trailblazing Success and Firing On All Cylinders, both certified national bestsellers. He is a member of Bro. Bo Sanchez' Mastermind Group, and is cited by many as one of the best leadership, business strategy, investments, marketing and sales speakers in the country. He served as the President & CEO of Philam Life, one of the country's most trusted financial services conglomerates and was Chairman of its affiliates and subsidiaries. He was also Senior Adviser to the Chief Executive Officer of the AIA Group. Prior to this, he was previously Senior Vice President and Chief Marketing and Sales Officer of ALI. He was also Chairman of Ayala Land International Sales, Inc., President of Ayala Land Sales, Inc., and Avida Sales Corporation. He has a Master's Degree in Business Management with distinction from the Asian Institute of Management. He was one of the 10 Outstanding Graduates of his batch at the University of the Philippines where he obtained a BSBA degree with a double major in marketing and finance. He was awarded Most Distinguished Alumnus of the UP Cesar Virata School of Business. He is also a Fellow with Distinction at the Life Management Institute of Atlanta, Georgia, USA, a Registered Financial Planner (RFP) and a four-time member of the Million Dollar Round Table (MDRT). He was a professor of Marketing and Computational Finance at the De La Salle University Graduate School of Business. He taught strategic marketing, services marketing and services strategy. He has served as

Chairman of the Marketing Department and was awarded as one of the University's most outstanding professors.

Jessie D. Cabaluna, Filipino, 69
Independent Director from April 25, 2024 to April 24, 2025

Ms. Cabaluna is the President and Managing Director of Stetchworth House, Inc. since 2017. She is presently an Independent Director for AllHome Corp. and AllDay Marts, Inc. She is a Certified Public Accountant and a member of the Philippine Institute of Certified Public Accountants. She is a former independent director of AREIT, Inc., AREIT Fund Managers, Inc., Anvaya Cove Beach and Nature Club, Inc. and Alviera Country Club, Inc. She was the former Assurance Partner and Head of Market Circle – 1 Bacolod Branch of SyCip Gorres Velayo & Co. (SGV). She has accumulated over twenty years of experience as a partner in the accounting firm, SGV, where she was Partner-in-Charge of the Bacolod Branch. She holds a Bachelor of Science in Commerce (Major in Accounting) from the University of St. La Salle. She has also completed advanced management development programs conducted by the Asian Institute of Management and Harvard Business School.

Officer:

Roscoe M. Pineda, Filipino, 53
Data Protection Officer of the Company from January 1, 2024 to November 18, 2025

He joined Ayala Land, Inc. (ALI) on March 1, 2023, as Vice President and Information Technology Director of the Residential Business Group of ALI. He assumed the Chief Information Officer (CIO) position for the ALI Group effective on October 1, 2023, and appointed as Group Data Privacy Officer on January 1, 2024 until August 19, 2025. Mr. Pineda was the Service Center Lead for Technology and was also the Chief Operating Officer of ANZ Global Services and Operations in Manila. He was the Chief Shared Services Officer of the Asia Service Centre of Sun Life of Canada and was a VP of CHARTIS Technology and Operations Management Corp. (AIG Shared Services). He is a bona fide member of the PMI.org and currently a Certified Project Management Professional. Mr. Pineda has a Bachelor's Degree in Mathematics, Major in Computer Science from the University of Santo Tomas.

Nominee to the Board of Directors for election at the 2026 stockholders' meeting:

All the incumbent directors of the Company are being nominated to the Board of Directors except for Mr. Jaime Alfonso E. Zobel de Ayala. In his stead, Mr. Jaime Z. Urquijo is a first time nominee as non-executive director.

Jaime Z. Urquijo, Filipino, 37, is the Chief Sustainability and Risk Officer (CSRO) of Ayala Corporation. He was previously the Vice President for Business Development at Ayala Corporation's listed energy platform, ACEN. During his tenure at ACEN, he led initiatives to expand the group's portfolio of assets in the Philippines, Vietnam, Myanmar, and Indonesia. Prior to this, he served as the Head of Business Development for AF Payments, Inc., which created the Beep Card payment system, the country's first interoperable public transport payment card. In addition to his CSRO role, he is also currently a director of ACEN Corporation, Bank of the Philippine Islands, Integrated Micro Electronics, Inc., AC Energy and Infrastructure Corporation, ACEN International, Inc., AC Industrial Technology Holdings, Inc., AC Infrastructure Holdings Corp., BIM Renewable Energy Joint Stock Company, BIM Energy Joint Stock Company, BIM Wind Power Joint Stock Company, BIM Energy Holding Corporation, and Chairman of Klima 1.5 Corp. He is Vice Chairman of the Board of Trustees and Chairman of the Executive Committee of Ayala Foundation, and is also an Independent Advisor to the Board of Directors of Ayala Land Inc. He is also part of the board of WWF Philippines, the European Chamber of Commerce of the Philippines (ECCP), Makati Central Estate Association, Inc. (MACEA), MACEA Special Project Committee, Asian Institute of Management, and the Hero Foundation. Concurrently, he is an advisor to the Board of Directors of the Philippine Rugby Football Union, President of Notre Dame Club of The Philippines, and Executive Committee Member of INSEAD Alumni Association of The Philippines. Prior to joining the Ayala Group, Jaime was an associate at JP Morgan in New York. Jaime received his Bachelor of Arts degree in Political Science from the University of Notre Dame in the US and his Master's in Business Administration from INSEAD in France.

Directorship in other publicly-listed companies:

ACEN Corporation, Bank of the Philippine Islands and Integrated Micro Electronics, Inc.

a) Attendance of Directors in Board meetings

The attendance of the directors at the meetings of the Board of Directors (“Board”) held in 2025 is as follows:

Directors	No. of Meetings Attended/Held (in 2025 and during the incumbency of the director)	Percent Present
Anna Ma. Margarita B. Dy	6/6	100%
Felipe U. Yap	6/6	100%
Robert S. Lao	6/6	100%
Bernard Vincent O. Dy*	4/4	100%
Augusto D. Bengzon**	2/2	100%
Jaime Alfonso E. Zobel de Ayala	6/6	100%
Nathanael C. Go	6/6	100%
Cassandra Lianne S. Yap	6/6	100%
Rex Maria A. Mendoza^	1/1	100%
Jessie D. Cabaluna^	0/1	Nil
Emilio Lolito J. Tumbocon^^	5/5	100%
Agustin R. Montilla IV^^	5/5	100%

* Served as Non-Executive Director until August 12, 2025

** Served as Non-Executive Director from August 12, 2025 to February 12, 2026

^ Served as Independent Director until April 24, 2025

^^ Elected as Independent Director on April 24, 2025

b) Significant Employees

The Company considers all its employees to be significant partners and contributors to the business. There is no employee who is expected to make individually on his own a significant contribution to the business of the Company.

c) Family Relationships

The independent director, Ms. Cassandra Lianne S. Yap, is the niece of a director, Mr. Felipe U. Yap. Ms. Yap is qualified to be an independent director under Sec. 1.9, Art. III of the Company’s Manual on Corporate Governance, as revised on February 22, 2022 (the “Revised Corporate Governance Manual”).

There are no other family relationships up to fourth civil degree, either by consanguinity or affinity, among the abovenamed directors and executive officers.

d) Involvement in certain legal proceedings

Except as disclosed herein or in the Information Statement of the Company’s affiliates which are themselves public companies or as has been otherwise publicly disclosed, there are no material legal proceedings, bankruptcy petition, conviction by final judgment, order, judgment or decree or any violation of a securities or commodities law for the past five years to which the Company or any of its subsidiaries or affiliates or its directors or executive officers is a party or of which any of its material properties is subject, in any court or administrative agency.

The pending legal proceedings involving the Company’s subsidiary is discussed in Item 3 above.

Item 10. Executive Compensation

A. General

Directors. Article III, Section 11 of the Company’s Amended By-laws provides:

11. Compensation of Directors- Directors shall be entitled to receive from the Corporation, pursuant to a resolution of the Board of Directors, fees and other compensation for their services. In no case shall the total yearly compensation of Directors exceed ten percent (10%) of the net income before income tax of the Corporation during the preceding year.

The Personnel and Compensation Committee of the Board of Directors shall have the responsibility of recommending to the Board of Directors the fees and other compensation for directors. In discharging this duty, the committee shall be guided by

the objective of ensuring that the level of compensation should fairly pay directors for the work required in a company of the Corporation's size and scope. No director shall be involved in deciding his own remuneration during his incumbent term.

No director has been contracted and compensated for services other than as director.

Officers. Article IV, Section 1 of the Company's Amended By-laws provides :

1. Officers. xxx The Board of Directors shall fix the compensation of the officers of the Corporation.

Below is the summary of the aggregate compensation paid or accrued during the last two (2) years and ensuing fiscal year to the Company's Chief Executive Officer and four (4) other most highly compensated executive officers.

Summary Compensation Table
Annual Compensation

Name	Year	Salary (in P000s)	Bonus (in P000s)	Other Annual Compensation (in P000s)
Robert S. Lao (President/CEO)		-	-	-
Patrick John C. Avila (Chief Operating Officer)		-	-	-
Tristan John T. de Guzman* (Chief Finance Officer/ Compliance Officer/ Chief Risk Officer)		-	-	-
Gabriel Luis T. Sioson (Head, Industrial Parks and Real Estate Logistics)		-	-	-
Marita C. Cabral (Head, Human Resources)		-	-	-
Eileen Anne J. Escobido (Head, Sustainability and Special Projects)		-	-	-
Francis M. Montojo** (Chief Finance Officer/Compliance Officer/Chief Risk Officer)		-	-	-
Jessica O. Santos *** (Head, Commercial Leasing)		-	-	-
CEO and most highly compensated Executive Officers	2024 Actual	-	-	-
	2025 Actual	-	-	-
	2026 (projected)	-	-	-
All other officers^ and directors^^ as a group unnamed	2024 Actual	4,250.00	-	-
	2025 Actual	4,020.00	-	-
	2026 (projected)	4,250.00	-	-

* elected on April 25, 2024 vice Ms. Francis Montojo

** served from December 15, 2018 to April 25, 2024

***retired effective January 1, 2025

^ Heads of department and up; excludes managers

^^ Compensation consists of per diems; excludes ESOWN Plan shares

The above executive officers are employees of ALI assigned to the Company and their salaries and benefits are paid by ALI. Management fees paid by the Company to ALI cover part of the compensation of the executive officers of ALLHC (i.e., President/CEO, Chief Finance Officer, Chief Operating Officer, Heads of Industrial Parks and Real Estate Logistics, Human Resources, and Commercial Leasing Group.

The total annual compensation of all directors and senior personnel from managers and up was paid in cash.

(a) **Compensation of Directors**

The directors receive per diems from the Corporation. Section 11 of Article III of the Amended By-Laws provides:

11. Compensation of Directors – Directors are entitled to receive from the Corporation, pursuant to a resolution of the Board of Directors, fees and other compensation for their services. In no case shall the total yearly compensation of Directors exceed ten percent (10%) of the net income before income tax of the Corporation during the preceding year.

The Personnel and Compensation Committee of the Board of Directors shall have the responsibility of recommending to the Board of Directors the fees and other compensation of directors. In discharging this duty, the committee shall be guided by the objective of ensuring that the level of compensation should fairly pay directors for work required in a company of the Corporation's size and scope. No director shall be involved in deciding his own remuneration during his incumbent term.

(i) **Standard Arrangement**

The Board of Directors are entitled to receive such compensation as fixed by the Board for services as director. The directors receive as compensation, per diems fixed by the Board of Directors, and approved by the stockholders.

The directors to receive the following per diems per meeting attended (as approved by the stockholders on 13 January 2017):

Board meeting fee	Php40,000.00
Committee meeting fee	Php30,000.00

In accordance with the requirement of Sections 29 and 49 of the Revised Corporation Code relating to an annual report of the total compensation of each director, below is a table showing the gross compensation (consisting of per diems) received by the executive, non-executive and independent directors in 2025.

	Board Meetings	Non-Executive Directors' Meetings	Committee Meetings	Total
Anna Ma. Margarita B. Dy	-	-	-	0*
Felipe U. Yap	₱240,000	₱80,000	-	₱320,000
Robert S. Lao	-	N/A	-	0*
Bernard Vincent O. Dy [^]	160,000	-	-	160,000
Jaime Alfonso E. Zobel de Ayala	-	-	-	0**
Augusto D. Bengzon	-	-	-	0*
Nathanael C. Go	240,000	80,000	-	320,000
Emilio Lolito J. Tumbocon	200,000	80,000	270,000	550,000
Cassandra Lianne S. Yap	240,000	80,000	360,000	680,000
Agustin R. Montilla IV	200,000	80,000	210,000	490,000
Rex Maria A. Mendoza ^{^^}	40,000	N/A	150,000	190,000
Jessie D. Cabaluna ^{^^}	0	N/A	150,000	150,000
	₱1,320,000	₱400,000	₱1,140,000	₱2,860,000
Total (including those paid to ALI and AC)				₱4,020,000

* The per diems were paid directly to ALI. Total amount of per diems paid to ALI was P840,000.00.

** The amount of P320,000.00 per diems was paid directly to Ayala Corporation (AC), the parent company of ALI

[^] Served as director until August 12, 2025; Mr. Augusto Bengzon was elected in his stead

^{^^} Served as director until April 24, 2025.

(ii) **Other Arrangement**

None of the non-executive directors has been contracted and compensated by the Company for services other than those provided as a director. The Company has no arrangement with regard to the compensation of the non-executive directors other than that provided above.

One of the Company’s non-executive directors availed of the stock grant in 2018 under the ESOWN Plan of the Company. The details of the ESOWN Plan are discussed in Item 10(c) – Warrants and Options Outstanding below.

(b) Employment Contracts/Termination of Employment/Change-in Control Arrangements

The present executive officers of the Company are regular employees of ALI and are covered by their respective engagement/employment contracts with ALI which provide for their functions corresponding to their position/rank.

There are no special terms or compensatory plans or arrangements relative to the resignation, termination of employment of such executive officers. No executive officer has been granted an ESOWN benefit by the Company.

The Company has no change-in-control arrangements with its executive officers.

(c) Warrants and Options Outstanding

In August 2015, the Board of Directors of the Company approved the Terms and Conditions of its ESOWN Plan covering 250 million common shares of the Company for its directors and employees as of 30 June 2015. The ESOWN Shares were issued in two (2) tranches.

Total number of shares subscribed under the ESOWN Plan are as follows: Tranche 1- 29,161,115 shares (excluding 144,485 shares returned to the Plan Pool); Tranche 2- First Availment- 26,629,700 shares; Tranche 2- Second Availment – 103,692,268 shares. Exercise price was P1.00 per share for Tranche 1, and P1.68 per share for Tranche 2. Except for Mr. Felipe U. Yap, no other incumbent director or executive officer of the Company was granted any ESOWN Plan shares.

There were no stock grants after 31 December 2018.

Item 11. Security Ownership of Certain Beneficial Owners and Management

i. Security Ownership of Record and Beneficial Owners of more than 5% as of March 31, 2026:

Title of Class	Name, Address of Record Owner and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	No. of Shares Held	Percent (of total outstanding shares)
Common	Ayala Land, Inc. (ALI) ¹ 31F, Tower One and Exchange Plaza Ayala Triangle Ayala Ave., Makati City	Ayala Land, Inc. ²	Filipino	4,467,752,831 (direct)	70.90%
Common	PCD Nominee Corporation (Filipino) ³ G/F MSE Bldg. Ayala Ave., Makati City	PCD participants acting for themselves or for their customers ⁴	Filipino	1,135,948,074 (indirect)	18.03%

¹ Ayala Land, Inc. (“ALI”) is the principal stockholder of the Company.

² Under the By-Laws of ALI and the Revised Corporation Code, the ALI Board has the power to decide how ALI’s shares are to be voted.

³ PCD is not related to the Company.

⁴ Each beneficial owner of shares through a PCD participant is the beneficial owner to the extent of the number of shares in his account with the PCD participant. The beneficial owner, with certification of ownership of shares from the PCD Participant, has the power to vote in absentia or through the Chairman of the meeting as proxy. There is no PCD participant who owns more than 5% of the shares of the Company.

ii. Security Ownership of Directors and Management (Executive Officers) as of March 31, 2026:

Title of class of outstanding shares	Name of beneficial owner	Amount and nature of beneficial ownership	Citizenship	Percent to total outstanding shares
<i>Directors</i>				
Common	Anna Ma. Margarita B. Dy	1 (direct)	Filipino	0.00%
Common	Felipe U. Yap	3,010,000 (direct) 28,000,000 ⁶ (indirect)	Filipino	0.49%
Common	Robert S. Lao	1 (direct)	Filipino	0.00%
Common	Bernard Vincent O. Dy	2 (direct)	Filipino	0.00%
Common	Jaime Alfonso E. Zobel de Ayala	1 (direct)	Filipino	0.00%
Common	Nathanael C. Go	1,025,000 (direct) 34,375,000 (indirect)	Filipino	0.56%
Common	Rex Maria A Mendoza	1 (direct)	Filipino	0.00%
Common	Jessie D. Cabaluna	1 (direct)	Filipino	0.00%
Common	Cassandra Lianne S. Yap	1,638,000 (indirect)	Filipino	0.03%
<i>Officers</i>				
Common	Robert S. Lao	see above	Filipino	0.00%
Common	Tristan John T. de Guzman	0	Filipino	0.00%
Common	Ma. Florence Therese dG. Martinez- Cruz	0	Filipino	0.00%
Common	Jeffrey R. Legaspi	0	Filipino	0.00%
Common	Patrick John C. Avila	110,000 (indirect)	Filipino	0.00%
Common	Augusto D. Bengzon	0	Filipino	0.00%
Common	Roscoe M. Pineda	0	Filipino	0.00%
All Directors and Officers as a group		68,158,007		1.08%

No director or member of the Company's management owns 2.0% or more of the outstanding capital stock of the Company.

iii. Voting Trust Holders of 5% or More

The Company knows of no persons holding more than 5% of common shares under a voting trust or similar agreement.

iv. Change in Control of Registrant

No change in control in the Company has occurred since the beginning of its last fiscal year.

Item 12. Certain relationships and related transactions

- (1) The Company requires that material related party transactions (RPT) be reviewed by the Risk Management and Related Party Transactions Committee (the Committee) and endorsed to the BOD for approval. All RPTs and material RPTs shall approved by a two-thirds vote of the Board of Directors, with at least a majority of the independent directors voting to approve the same. In case the majority vote of the independent directors is not secured, the material RPT may be ratified by the stockholders representing two-thirds of the outstanding capital stock. Material RPTs are those RPTs, either individually or in aggregate, over a 12-month period with the same related party, amounting to ten percent (10%) or higher of the Company's consolidated total assets based on the latest audited financial statements.

The Group, in its regular conduct of business, has entered into transactions with associates, joint ventures and other related parties principally consisting of deposits/placements, advances, loans and reimbursement of expenses, purchase and sale of real estate properties, construction contracts, and development, management, marketing and administrative service agreements. Sales and purchases of goods and services as well as other income and expense to and from related parties are made at normal commercial prices and terms and at arm's length basis.

To date, there have been no complaints received by the Company regarding related-party transactions. None of the Company's directors has entered into self-dealing and related party transactions with or involving the Company in 2025.

For further information on the Group's related party transactions, see Note 15 of the Company's 2025 Audited Consolidated Financial Statements included in this Report. Except for those discussed in the said 2025 Audited Consolidated Financial Statements, no other transaction, other than as appropriately disclosed by the Company, was undertaken by the Group involving any director or executive officer, any nominee for election as director, any beneficial owner of more than 5% of the Company's outstanding shares (direct or indirect) or any member of his immediate family. The Company's employees are required to promptly disclose any business and family-related transactions with the Company to ensure that potential conflicts of interest are reviewed and disclosed as appropriate.

(2) Ownership Structure and Parent Company

As of March 31, 2026, ALI owns 70.90% of the outstanding shares of the Company.

PART IV- CORPORATE GOVERNANCE

Item 13. Corporate Governance

Compliance with Corporate Governance

The Board of Directors, officers and employees of the Company commit themselves to the principles and best practices embodied in its Manual on Corporate Governance (the "Manual"). The Manual was first submitted in 2017. It was revised several times; the most recent revision was in 2022.

As provided in the CG Manual, a review of the Company's vision and mission and core values is to be conducted every year. The Board sets the objectives of the company and ensures that the implementation of the strategies comply with good governance practices and that internal control mechanism and procedures are in place. The Board and its committees conduct an annual self-assessment through online questionnaires to evaluate and improve their performance. Every three (3) years, starting in 2019, an external facilitator conducts the assessment of the Board's performance as provided in the CG Manual. The Compliance Officer monitors, reviews and ensures compliance by the Company, its directors and officers with the relevant laws, the Code of Corporate Governance for Publicly-Listed Companies (the "Code") and governance issuances of regulatory agencies. The Compliance Officer's duties include ensuring proper onboarding of new directors (i.e., orientation on the Company's business, articles of incorporation, by-laws, and charters among others), and ensure the attendance of board members and key officers in relevant trainings.

The company's website, www.ayalalandlogistics.com, is updated regularly and contains information on the Company's business and organization, policies, corporate governance reports and disclosures for the investors, stakeholders and public in general.

The Board and the committees meet such number of times as prescribed in the Board and committee charters. Materials for the meetings are sent at least five business days before the meeting. The non-executive directors meet at least twice a year without the presence of any executive director.

The Company complied with the provisions of the Code. There was no material deviation from the CG Manual except that which pertains to the retirement age of directors. As provided in the CG Manual, the CGNC approved the nomination and election as director of Mr. Felipe U. Yap, having determined that his qualifications and experience will benefit the Company. There were no sanctions imposed on any director, officer or employee for noncompliance of the Manual.

The Company will continue to align with any new updates to corporate governance policies within the Ayala Group, and new rules, regulations and directives from the SEC on corporate governance.

Integrated Annual Corporate Governance Report (I-ACGR)

In compliance with SEC MC No. 15, Series of 2017, the Company submitted its I-ACGR (for CY 2024) on May 28, 2025.

PART V- EXHIBITS AND SCHEDULES

Item 14. Exhibits and Reports on SEC Form 17-C

A. Exhibits – See accompanying Index to Exhibits.

a. The 2025 Audited Consolidated Financial Statements are filed with this report.

The other exhibits, as indicated in the Index to Exhibits are either not applicable to the Company or require no answer.

b. Reports on SEC Form 17-C

The Reports on SEC Form 17-C (Current Reports) filed with the SEC/ PSE in 2025 are as follows:

Date	Subject of Transaction
February 7, 2025	Notice of holding 2025 annual stockholders’ meeting (ASM) in fully virtual format
February 24, 2025	Detailed Notice and agenda of the ASM on April 24, 2025
April 24, 2025	Voting results of 2025 ASM
April 24, 2025	Results of the 2025 ASM and organizational meeting of the Board
August 12, 2025	Results of the Board meeting: 1. Election of Mr. Augusto D. Bengzon as director vice Mr. Bernard Vincent O. Dy 2. Election of Jose Eduardo A. Quimpo II as Treasurer, vice Mr. Bengzon
November 18, 2025	Results of the Board meeting: 1. Appointment of Ms. Millette A. Arnedo as Data Protection Officer vice Mr. Roscoe M. Pineda 2. Setting of the 2026 ASM on April 23, 2026 at 1 pm; record date on March 9, 2026; deadline for nomination of directors on March 6, 2025 and submission of proxies on April 14, 2026 3. Amendment of the Insider Trading Policy

The Company also filed the following reports:

Date Reported	Subject of Disclosure
January 31, 2025	Report on the attendance of directors in Board meetings in 2024
February 14, 2025	Press release on the CY 2024 financial and operating results
March 24, 2025	Press release on acquisition of two logistics parks: 3M Pangasinan and 3M Iloilo
May 9, 2025	Press release on first quarter 2025 financial and operating results
August 1, 2025	Press release on first half of 2025 financial and operating results
October 30, 2025	Press release on first nine months of 2025 financial and operating results

B. Sustainability Report

A copy of ALLHC’s 2025 Sustainability Report is attached to this report.

The Integrated Report will also be accessible through the link below on or before the Annual Stockholders’ Meeting on April 23, 2026:

<https://www.ayalalandlogistics.com/wp-content/uploads/2026/04/ALLHC-2025-Integrated-Report.pdf>

SIGNATURES

Pursuant to the requirements of Section 17 of the Code and Section 141 of the Corporation Code, this report to be signed on behalf of the issuer by the undersigned, thereunto duly authorized, in Makati City on April 13, 2026.

AYALALAND LOGISTICS HOLDINGS CORP.

Issuer

By:

ROBERT S. LAO

President/Chief Executive Officer

PATRICK JOHN C. AVILA

Chief Operating Officer

JOSÉ EDUARDO A. QUIMPO II

Treasurer

TRISTAN JOHN T. DE GUZMAN

Chief Finance Officer/Compliance Officer

MA. FLORENCE THERESE DG. MARTIREZ-CRUZ

Corporate Secretary

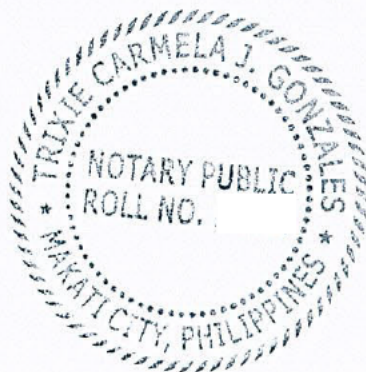
SUBSCRIBED AND SWORN to before me on APR 13 2026 at Makati City, affiants exhibited to me their passports as competent evidence of their identities, as follows:

Name	Competent Evidence of Identity	Date/Place Issued
Robert S. Lao	Ppt No.	
Patrick John C. Avila	Ppt No.	
Jose Eduardo A. Quimpo II	Ppt No.	
Tristan John T. de Guzman	Ppt No.	
Ma. Florence Therese dG. Martirez-Cruz	Ppt No.	

WITNESS MY HAND AND SEAL on the date and at the place abovewritten.

Doc. No. 177 ;
Page No. 36 ;
Book No. XIX ;
Series of 2026.

Notarial DST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Court's copy.



TRUXIE CARMELA J. GONZALES
Notary Public - Makati City
Appl. No. _____
Roll of Attorneys No. _____
IBP No. _____
PTR No. A _____
MCLE Compliance No. VJ _____

AYALALAND LOGISTICS HOLDINGS CORP.
INDEX TO EXHIBITS
Form 17-A – Item 7

Exhibit No.		Page No.
(3)	Plan of Acquisition, Reorganization, Arrangements, Liquidation or Succession	*
(5)	Instruments Defining the Rights of Security Holders, including Indentures	*
(8)	Voting Trust Agreement	*
(9)	Material Contracts	*
(10)	2025 Consolidated Financial Statements of ALLHC and Subsidiaries (with notarized Statement of Management Responsibility)	see attached
(13)	Letter re Change in Certifying Accountant	*
(16)	Report Furnished to Security Holders	*
(18)	Subsidiaries of the Registrant	38
(19)	Published Report regarding Matters Submitted to Vote of Security Holders	*
(20)	Consent of Experts and Independent Counsel	*
(21)	Power of Attorney	*
(29)	Additional Exhibit	*

** These Exhibits are either not applicable to the Company or require no answer.*

Exhibit (18)

Subsidiaries of the Registrant

As of December 31, 2025, ALLHC has the following wholly-owned subsidiaries:

Name	Jurisdiction
Orion Land, Inc.	Philippines
Tutuban Properties, Inc.	Philippines
Orion Property Development, Inc.	Philippines
Orion Beverage, Inc.*	Philippines
LCI Commercial Ventures, Inc.	Philippines
Orion Solutions, Inc.*	Philippines
Orion Maxis, Inc.*	Philippines
Unity Realty & Development Corporation	Philippines
Laguna Technopark, Inc.	Philippines
ALogis Artico, Inc.	Philippines

**for shortening of corporate term*

AYALALAND LOGISTICS HOLDINGS CORP.
Index to Consolidated Financial Statements and Supplementary Schedules
Form 17-A, Item 7

2025 Consolidated Financial Statements

Statement of Management's Responsibility for Financial Statements Report of Independent Auditor

Consolidated Statements of Financial Position as of December 31, 2025 and December 31, 2024
Consolidated Statements of Income for the Years Ended December 31, 2025 and December 31, 2024
Consolidated Statements of Comprehensive Income as of December 31, 2025 and December 31, 2024

Consolidated Statements of Changes in Equity as at December 31, 2025 and December 31, 2024
Consolidated Statements of Cash Flows as of December 31, 2025 and December 31, 2024 and December 31, 2023

Notes to Consolidated Financial Statements

Index to Supplementary Schedules to 2025 Consolidated Financial Statements

Report of Independent Auditor on Components of Financial Soundness Indicators Report and on Supplementary Schedules

Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration

Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered

Annex C: Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
- Schedule F. Guarantees of Securities of Other Issuers
- Schedule G. Capital Stock

Schedule of Financial Soundness Indicators

Annex D: Schedule of External Auditor Fee-Related information

February 12, 2026

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
 FOR FINANCIAL STATEMENTS**

The management of AyalaLand Logistics Holdings Corp. (the Company) 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 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 Company's ability to continue as a going concern, disclosing, as applicable matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

Isla Lipana & Co., the independent auditors appointed by the stockholders, has audited the consolidated financial statements of the Company and its subsidiaries in accordance with Philippine Standards of Auditing, and in its report to the stockholders, has expressed its opinion on the fairness of presentation upon completion of such audit.

ANNA MA. MARGARITA B. DY
 Chairman, Board of Directors

ROBERT S. LAO
 President & Chief Executive Officer

TRISTAN JOHN T. DE GUZMAN
 Chief Finance Officer

SUBSCRIBED AND SWORN to before me this FEB 12 2026, at Makati City, affiants exhibited to me their passports as competent evidence of their identities, as follows:

<u>Name</u>	<u>Passport No.</u>	<u>Date/Place of Issue</u>
Anna Ma. Margarita B. Dy		
Robert S. Lao		
Tristan John T. de Guzman		

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc. No. 260;
 Page No. 53;
 Book No. XVII;
 Series of 2026.

Notarial GST pursuant to Sec. 61 of the TRAIN Act (amending Sec. 188 of the NIRC) affixed on Court's copy.



TRIXIE CARMELA J. GONZALES
 Notary Public - Makati City
 App. No. _____ until December 31, 2027
 Roll of Attorneys No. _____
 IBP No. _____
 PTR No. _____
 MCLC Compliance No. _____ issued on _____



Independent Auditor's Report

To the Board of Directors and Shareholders of
AyalaLand Logistics Holdings Corp. and Subsidiaries
3rd Level Glorietta 5, Ayala Center
Makati City, Philippines

Report on the Audits of the Financial Statements

Our Opinion

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of AyalaLand Logistics Holdings Corp. and its subsidiaries (together, the "Group") as at December 31, 2025 and 2024, and their consolidated financial performance and their 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.

What we have audited

The consolidated financial statements of the Group comprise:

- the consolidated statements of financial position as at December 31, 2025 and 2024;
- the consolidated statements of comprehensive income for each of the three years in the period ended December 31, 2025;
- the consolidated statements of changes in equity for each of the three years in the period ended December 31, 2025;
- the consolidated statements of cash flows for each of the three years in the period ended December 31, 2025; and
- the notes to the consolidated financial statements, comprising material accounting policy and other explanatory information.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

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 Auditor's Responsibilities for the Audits of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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 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.

Our Audit Approach

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgments; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates.

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.

The key audit matter identified in our audit pertains to the real estate revenue recognition based on percentage of completion (PoC) as a measure of progress.

Key audit matter identified in our audit is revenue recognition.

Key audit matter	How our audit addressed the key audit matter
<p>Real estate revenue recognition based on PoC as a measure of progress</p> <p>Refer to Note 22 to the consolidated financial statements for the details of the Group's revenue, Note 28 for the discussion on critical accounting estimates and assumptions, and Note 29.12 for the discussion on Group's accounting policies.</p> <p>The revenue from sale of real estate for the year ended December 31, 2025 amounts to P1,675 million which accounts for approximately 45% of the consolidated total revenue. It is therefore material to the consolidated financial statements.</p> <p>Real estate revenue from contracts with customers is recognized over time using the output method in accordance with the guidance set in PFRS 15, Revenue from contracts with customers, and Philippine Interpretations Committee Questions and Answers (PIC Q&A) 2018-12. Under the output method, revenue is calculated with reference to the PoC of the project. In the case of the Group, PoC is determined based on the actual physical accomplishment through completion of the project. Hence, real estate revenue recognition requires significant estimates and judgement.</p>	<p>We addressed this matter by understanding and evaluating the processes and controls implemented by the Group in measuring progress under the output method, including how physical accomplishment and project milestones are determined, validated, and approved. Our audit procedures included:</p> <ul style="list-style-type: none"> • Evaluating the design and testing the operating effectiveness of key controls over the identification, measurement, and approval of project milestones and physical accomplishment used to determine the percentage of completion. • Substantiating, on a sample basis, the reported percentage of completion by inspecting independent evidence of outputs achieved, including project accomplishment reports prepared by project engineers and certifications by independent quantity surveyors, and performing site visits for selected projects. • Verifying the mathematical accuracy of the percentage of completion derived from physical accomplishment measures and assessing whether the resulting revenue recognized for each project and individually sold unit was appropriately calculated in accordance with the Group's accounting policies and PFRS 15.

Other Information

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

Our opinion on the consolidated financial statements does not cover 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 these 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.

When we read the other information identified above which have not yet been received, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 ability of the Group 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 or to cease operations of the Group, or has no realistic alternative but to do so.

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

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

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

Independent Auditor's Report
To the Board of Directors and Shareholders of
AyalaLand Logistics Holdings Corp. and Subsidiaries
Page 7

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

The engagement partner on the audit resulting in this independent auditor's report is Zaldy D. Aguirre.

Isla Lipana & Co.

Zaldy D. Aguirre

Partner

CPA Cert No.

P.T.R. No. _____, issued on

SEC A.N (individual) as general auditors _____ ; valid to audit 2020
to 2025 financial statements

SEC A.N (firm) as general auditors _____ ; valid to audit 2020
to 2025 financial statements

TIN

BIR A.N. _____, issued on _____ ; effective until _____

BOA/PRC Reg. No. _____, effective until _____

Makati City

February 12, 2026



Statement Required by Rule 68
Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
AyalaLand Logistics Holdings Corp. and Subsidiaries
3rd Level Glorietta 5
Ayala Center, Makati City

We have audited the consolidated financial statements of AyalaLand Logistics Holdings Corp. (the “Parent Company”) and its subsidiaries (together the “Group”) as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, on which we have rendered the attached report dated February 12, 2026. The Supplementary Information shown in the Reconciliation of Parent Company’s Retained Earnings Available for Dividend Declaration, Map of Relationships of the Companies within the Group, and Schedules A, B, C, D, E, F, and G, as additional components required by the Revised SRC Rule 68, is presented for purposes of filing with the Securities and Exchange Commission and is not a required part of the basic consolidated financial statements. Such Supplementary Information is the responsibility of management and has been subjected to auditing procedures applied in the audit of the basic consolidated financial statements. In our opinion, the Supplementary Information has been prepared in accordance with the Revised SRC Rule 68.

Isla Lipana & Co.

Zaldy D. Aguirre
Partner
CPA Cert No.
P.T.R. No.

SEC A.N (individual) as general auditors , Category A; valid to audit 2020
to 2025 financial statements

SEC A.N (firm) as general auditors valid to audit 2020
to 2025 financial statements

TIN

BIR A.N. , issued on ; effective until

BOA/PRC Reg. No. , effective until

Makati City
February 12, 2026

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728



Statement Required by Rule 68 Securities Regulation Code (SRC)

To the Board of Directors and Shareholders of
AyalaLand Logistics Holdings Corp.
3rd Level Glorietta 5
Ayala Center, Makati City

We have audited in accordance with Philippine Standards on Auditing, the consolidated financial statements of AyalaLand Logistics Holdings Corp. (the "Parent Company") and its subsidiaries (together, the "Group") as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025, and have issued our report thereon dated February 12, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by PFRS Accounting Standards and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purpose of complying with the Revised SRC Rule 68 issued by the Securities and Exchange Commission and is not a required part of the basic consolidated financial statements prepared in accordance with PFRS Accounting Standards. The components of these financial soundness indicators have been traced to the Group's consolidated financial statements as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 and no material exceptions were noted.

Isla Lipana & Co.

Zaldy D. Aguirre
Partner
CPA Cert No. _____
P.T.R. No. _____, issued on _____
SEC A.N (individual) as general auditors _____ valid to audit 2020
to 2025 financial statements
SEC A.N (firm) as general auditors _____ valid to audit 2020
to 2025 financial statements
TIN _____
BIR A.N. _____ issued on _____ ; effective until _____
BOA/PRC Reg. No. _____, effective until _____

Makati City
February 12, 2026

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Financial Position
As at December 31, 2025 and 2024
(All amounts in thousands of Philippine Peso)

	Notes	2025	2024
Assets			
Current assets			
Cash and cash equivalents	2	155,091	242,677
Receivables, net	3	2,285,475	2,989,124
Real estate held for development and sale, net	4	5,873,227	5,705,925
Amounts owed by related parties	15	875,103	932,702
Financial assets at fair value through profit or loss	6	-	4,906
Other current assets	7	1,299,122	1,445,348
Total current assets		10,488,018	11,320,682
Non-current assets			
Receivables, net of current portion	3	2,748,270	2,639,047
Financial assets at fair value through other comprehensive income	5	144,950	151,284
Investment in joint venture	8	1,217,092	737,607
Right-of-use of asset, net	24	915,323	999,762
Investment properties, net	9	12,064,176	12,208,487
Property and equipment, net	10	3,177,276	1,702,781
Net pension assets	20	-	1,519
Deferred tax assets, net	21	160,706	182,112
Other non-current assets	7	1,270,057	796,015
Total non-current assets		21,697,850	19,418,614
Total assets		32,185,868	30,739,296
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued expenses	11	2,233,987	2,250,617
Amounts owed to related parties	15	7,679,491	7,124,850
Short-term debt and current portion of long-term debts	12	1,124,800	24,800
Income tax payable		4,921	5,390
Lease liabilities	24	160,407	36,014
Rental and other deposits	13	270,569	404,674
Total current liabilities		11,474,175	9,846,345
Non-current liabilities			
Installment payable, net of current portion	11	188,679	444,360
Long-term debts, net of current portion	12	2,397,938	2,421,089
Rental and other deposits, net of current portion	13	704,743	461,308
Lease liabilities, net of current portion	24	1,368,724	1,677,432
Net pension liabilities	20	9,736	-
Deferred income tax liabilities, net	21	296,633	274,669
Other non-current liabilities	16	639,372	729,660
Total non-current liabilities		5,605,825	6,008,518
Total liabilities		17,080,000	15,854,863

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Financial Position
As at December 31, 2025 and 2024
(All amounts in thousands of Philippine Peso)

(continued)

	Notes	2025	2024
Equity			
Equity attributable to equity holders of the Parent Company			
Capital stock	14	6,217,506	6,214,328
Additional paid-in capital	14	6,025,834	6,023,733
Shares held by a subsidiary	14	(144,377)	(144,377)
Equity reserves	26	(1,693,307)	(1,693,307)
Other comprehensive losses, net	14	(923,144)	(912,544)
Retained earnings		5,334,201	5,126,762
		14,816,713	14,614,595
Non-controlling interests		289,155	269,838
Total equity		15,105,868	14,884,433
Total liabilities and equity		32,185,868	30,739,296

The notes on pages 1 to 41 are integral part of these consolidated financial statements.

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Comprehensive Income
For each of the three years in the period ended December 31, 2025
(All amounts in thousands of Philippine Peso except for earnings per share figure)

	Notes	2025	2024	2023
Revenues				
Real estate sales	22	1,675,323	3,344,426	1,763,231
Rental services	9	1,366,793	1,334,310	1,252,297
Sale of storage services	22	308,125	163,474	169,490
Others	24	400,430	345,604	325,054
		3,750,671	5,187,814	3,510,072
Cost and expenses				
Cost of real estate sold	17	(852,550)	(2,174,342)	(1,136,870)
Cost of rental services	17	(1,177,655)	(1,135,332)	(1,086,011)
Cost of storage services	17	(279,074)	(130,873)	(101,065)
Operating expenses	18	(388,682)	(310,495)	(224,389)
		(2,697,961)	(3,751,042)	(2,548,335)
Other charges, net				
Interest expense and bank charges, net	19	(701,073)	(569,006)	(307,406)
Provision for probable losses	25	(20,767)	(61,362)	-
Miscellaneous income (charges)	19	11,235	(19,678)	89,672
		(710,605)	(650,046)	(217,734)
Income before income tax				
		342,105	786,726	744,003
Income tax expense	21	(121,876)	(85,970)	(107,896)
Net income for the year		220,229	700,756	636,107
Attributable to:				
Equity holders of the Parent Company		200,410	700,909	625,222
Non-controlling interests		19,819	(153)	10,885
		220,229	700,756	636,107
Earnings per share				
Basic and diluted, for income for the year attributable to ordinary equity holders of the Parent Company	23	0.03	0.11	0.10

The notes on pages 1 to 41 are integral part of these consolidated financial statements.

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Comprehensive Income
For each of the three years in the period ended December 31, 2025
(All amounts in thousands of Philippine Peso)

	Notes	2025	2024	2023
Net income		220,229	700,756	636,107
Other comprehensive income (loss)				
<i>Items that may not be reclassified to profit or loss in subsequent periods:</i>				
Unrealized gain on debt and equity instruments at fair value through other comprehensive income	5	1,866	24,670	38,456
(Loss) gain on remeasurement of retirement benefits liability, net of tax	20	(2,928)	213	1,858
Total comprehensive income		219,167	725,639	676,421
Attributable to:				
Equity holders of the Parent Company		199,850	726,550	664,552
Non-controlling interests		19,317	(911)	11,869
		219,167	725,639	676,421

The notes on pages 1 to 41 are integral part of these consolidated financial statements.

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Changes in Equity For each of the three years in the period ended December 31, 2025 (All amounts in thousands of Philippine Peso)

	Notes	Attributable to equity holders of the Parent Company						Total	Non-controlling interests	Total equity
		Capital stock (Note 14)	Additional paid-in capital (Note 14)	Shares held by a subsidiary (Note 14)	Equity reserves (Note 26)	Other comprehensive losses, net (Note 14)	Retained Earnings			
Balances at January 1, 2023		6,201,777	6,020,123	(144,377)	(1,693,307)	(960,446)	3,539,322	12,963,092	258,880	13,221,972
Comprehensive income										
Net income for the year		-	-	-	-	-	625,222	625,222	10,885	636,107
Other comprehensive income for the year	5,20	-	-	-	-	39,330	-	39,330	984	40,314
Total comprehensive income for the year		-	-	-	-	39,330	625,222	664,552	11,869	676,421
Transactions with owners										
Proceeds from share subscriptions	14	8,179	637	-	-	-	-	8,816	-	8,816
Transfer of realized valuation increment		-	-	-	-	(7,029)	7,029	-	-	-
Total transactions with owners		8,179	637	-	-	(7,029)	7,029	8,816	-	8,816
Balances at December 31, 2023		6,209,956	6,020,760	(144,377)	(1,693,307)	(928,145)	4,171,573	13,636,460	270,749	13,907,209
Impact of adoption of PFRS 15 covered by PIC Q&A 2018-12-D		-	-	-	-	-	247,251	247,251	-	247,251
Balances at January 1, 2024, as restated		6,209,956	6,020,760	(144,377)	(1,693,307)	(928,145)	4,418,824	13,883,711	270,749	14,154,460
Comprehensive income										
Net income for the year		-	-	-	-	-	700,909	700,909	(153)	700,756
Other comprehensive income for the year	5,20	-	-	-	-	25,641	-	25,641	(758)	24,883
Total comprehensive income for the year		-	-	-	-	25,641	700,909	726,550	(911)	725,639
Transactions with owners										
Proceeds from share subscriptions	14	4,372	2,973	-	-	-	-	7,345	-	7,345
Transfer of realized valuation increment		-	-	-	-	(10,040)	7,029	(3,011)	-	(3,011)
Total transactions with owners		4,372	2,973	-	-	(10,040)	7,029	4,334	-	4,334
Balances at December 31, 2024		6,214,328	6,023,733	(144,377)	(1,693,307)	(912,544)	5,126,762	14,614,595	269,838	14,884,433
Comprehensive income										
Net income for the year		-	-	-	-	-	200,410	200,410	19,819	220,229
Other comprehensive loss for the year	5,20	-	-	-	-	(560)	-	(560)	(502)	(1,062)
Total comprehensive income for the year		-	-	-	-	(560)	200,410	199,850	19,317	219,167
Transactions with owners										
Proceeds from share subscriptions	14	3,178	2,101	-	-	-	-	5,279	-	5,279
Transfer of realized valuation increment		-	-	-	-	(10,040)	7,029	(3,011)	-	(3,011)
Total transactions with owners		3,178	2,101	-	-	(10,040)	7,029	2,268	-	2,268
Balances at December 31, 2025		6,217,506	6,025,834	(144,377)	(1,693,307)	(923,144)	5,334,201	14,816,713	289,155	15,105,868

The notes on pages 1 to 41 are integral part of these consolidated financial statements.

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Cash Flows
For each of the three years in the period ended December 31, 2025
(All amounts in thousands of Philippine Peso)

	Notes	2025	2024	2023
Cash flows from operating activities				
Income before income tax		342,105	786,726	744,003
Adjustments for:				
Depreciation and amortization	7,9,10,17,18	546,094	461,370	426,791
Interest expense and bank charges	19	746,786	615,603	492,093
Depreciation of right-of-use assets	17,24	66,106	66,287	69,771
Provision for probable losses	25	20,767	61,362	-
Provision for impairment losses on receivables	3	23,822	23,747	-
Equity in net loss of joint ventures	19	113,515	23,166	5,837
Unrealized (gain) on financial assets at FVPL	6	(35)	(108)	(182)
Interest income	19	(45,713)	(46,597)	(184,687)
Operating income before working capital changes		1,813,447	1,991,556	1,553,626
Increase (decrease) in:				
Receivables		(136,630)	(608,089)	(600,448)
Real estate held for sale and development		(167,303)	(660,724)	(661,059)
Other current assets		147,745	938,701	(626,668)
Pension assets		(8,122)	3,174	8,820
Other noncurrent assets		(478,581)	(645,886)	23,433
Decrease (increase) in:				
Accounts payable and accrued expenses		(310,670)	572,906	(153,845)
Amounts owed to related parties		(5,152)	(112,589)	236,952
Rental and other deposits		109,330	(10,837)	94,361
Other noncurrent liabilities		(90,287)	69,462	(6,981)
Net cash flows generated from (used in) operations		873,777	1,537,674	(131,809)
Interest received		44,213	54,325	3,791
Interest paid		(471,755)	(567,926)	(159,345)
Income tax paid		(81,361)	(144,167)	(140,079)
Net cash generated from (used) in operating activities		364,874	879,906	(427,442)
Cash flows from investing activities				
Additions to amounts owed by related parties		(487,595)	(729,469)	(2,132,987)
Deductions from amounts owed by related parties		576,745	321,057	2,009,514
Investment in joint venture	8	(593,000)	(83,000)	(502,465)
Acquisitions of:				
Investment in properties	9	(336,918)	(773,522)	(1,050,308)
Property and equipment	10	(1,541,224)	(499,181)	(416,567)
Proceeds from sale of equipment		-	-	56
Proceeds from sale and maturity of:				
Financial assets at FVOCI and FVPL	5,6	13,141	-	36,000
Net cash used in investing activities		(2,368,851)	(1,764,115)	(2,056,757)

AyalaLand Logistics Holdings Corp. and Subsidiaries

Consolidated Statements of Cash Flows
For each of the three years in the period ended December 31, 2025
(All amounts in thousands of Philippine Peso)

(continued)

	Notes	2025	2024	2023
Cash flows from financing activities				
Proceeds from short-term loan availment	12	1,100,000	-	-
Payments of loan	12	(24,800)	(21,050)	-
Proceeds from sale of receivables from land sales	3	661,300	-	-
Proceeds from share subscriptions, net	14	5,278	7,345	8,816
Proceeds from amounts owed to related parties	15	3,421,871	5,494,358	9,373,141
Payment of amounts owed to related parties	15	(2,937,290)	(4,410,474)	(6,977,349)
Payment of lease liabilities	24	(309,968)	(158,006)	(156,314)
Net cash flows from financing activities		1,916,391	912,173	2,248,294
Net (decrease) increase in cash and cash equivalents		(87,586)	27,964	(235,905)
Cash and cash equivalents at beginning of year		242,677	214,713	450,618
Cash and cash equivalents at end of year	2	155,091	242,677	214,713

The notes on pages 1 to 41 are integral part of these consolidated financial statements.

AyalaLand Logistics Holdings Corp. and Subsidiaries

Notes to the Consolidated Financial Statements

As at December 31, 2025 and 2024 and

for each of the three years in the period ended December 31, 2025

(In the notes, all amounts are shown in Philippine Peso unless otherwise stated)

1 Corporate and Group information

1.1 Corporate information

AyalaLand Logistics Holdings Corp. (ALLHC; the “Parent Company”) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on May 19, 1989. The Parent Company’s registered office address is 3rd Level Glorietta 5, Ayala Center, Makati City. The Parent Company is a subsidiary of Ayala Land, Inc. (ALI). ALI’s parent company is Ayala Corporation (AC). AC is 47.57% owned by Mermac, Inc. and the rest by the public as at December 31, 2025. Both ALI and AC are publicly-listed companies incorporated in the Philippines. The Parent Company is listed in the Philippine Stock Exchange.

ALLHC and its subsidiaries, collectively referred to as “the Group”, have principal business interests in holding companies, industrial lot development and sale, warehouse and commercial leasing and cold storage services.

1.2 Group Information

The consolidated financial statements include the accounts of the Parent Company and the following subsidiaries of the Group:

Subsidiaries	Nature of business	Percentage of Ownership		
		2025	2024	2023
Laguna Technopark, Inc. (LTI)	Real estate development and warehouse leasing	100%	100%	100%
ALogis Artico Inc. (AAI), formerly Ecozone Power Management, Inc. (EPMI)	Warehouse leasing and cold storage services	100%	100%	100%
Unity Realty & Development Corporation (URDC)	Real estate development	100%	100%	100%
Orion Land, Inc. (OLI)	Commercial leasing	100%	100%	100%
Tutuban Properties, Inc. (TPI)	Commercial leasing	100%	100%	100%
TPI Holdings Corporation (TPIHC)**	Investment holding company	100%	100%	100%
Orion Property Developments, Inc. (OPDI)	Real estate development	100%	100%	100%
Orion Beverage, Inc. (OBI)*	Manufacturing	100%	100%	100%
LCI Commercial Ventures, Inc. (LCVI)	Warehouse leasing	100%	100%	100%
Luck Hock Venture Holdings, Inc. (LHVHI)**	Other business activities	60%	60%	60%
Orion Maxis, Inc. (OMI)*	Marketing and administrative services	100%	100%	100%
Orion I Holdings Philippines, Inc. (OIHPI)**	Financial holding company	100%	100%	100%
FLT Prime Insurance Corporation (FPIC)*	Non-life insurance company	78.77%	78.77%	78.77%
A-FLOW Land I Corp (A-FLOW Land)	Real estate leasing	60.00%	60.00%	60.00%
Orion Solutions, Inc. (OSI)*	Management information technology consultancy services	100%	100%	100%

* Inactive companies approved by their respective BOD for liquidation

**SEC approved shortening of corporate term

All the entities in the Group are incorporated in the Philippines.

The voting rights held by the Parent Company in its investments in subsidiaries are in proportion to its ownership interest.

LTI

LTI was incorporated on November 15, 1990 and is based in Laguna. LTI develops industrial parks and leases ready-built factory units and sells industrial lots to local and company locators. LTI is likewise into the construction and operation of standard factory buildings located in multiple sites in Laguna, Cavite, and Pampanga.

AAI

AAI, formerly EPMI, was incorporated on August 20, 2010 and engaged in retail electricity supply. In 2022, the Company gradually assigned its retail electricity business to focus on the industrial real estate business. On January 30, 2024, the SEC approved the Company's change of corporate name. The Company is registered with PEZA as an "ecozone facilities enterprise" at the Laguna Technopark Special Economic Zone in Biñan, Laguna and as a "domestic market enterprise" engaged in operation and maintenance of a warehouse building at Light Industry and Science Park III in Sto. Tomas, Batangas.

URDC

URDC was acquired from previous individual stockholders on July 19, 2019. URDC owns a property in Pampanga which is currently being developed to be Pampanga Technopark, a world-class industrial township, which caters to light and medium, non-polluting enterprises, from both global and local markets.

OLI

OLI operates a commercial building composed of a 5-storey shopping center and a 6-storey business processing outsourcing office with a gross leasable area of 60,000 square meters located along National Road, Alabang, Muntinlupa City.

TPI

TPI operates the Tutuban Center, a 20-hectare commercial complex located in Manila City. The Tutuban Center will be the location of the North-South Railway Project (NSRP) Transfer Station which will interconnect with the LRT 2 West Station.

OPDI

OPDI handles property development. Its present landholdings include properties in Batangas and Calamba.

LCVI

LCVI was a top manufacturer of ceramic floor and wall tiles in the Philippines and has a manufacturing plant in Laguna. In 2012, LCVI ceased its manufacturing operations and started renting out its warehouses in 2014.

A-FLOW Land

A-FLOW Land was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 12, 2022. On October 4, 2022, ALLHC entered into subscription agreement with Flow Luna | Property Pte. Ltd (FLOW) representing 60% interest in A-FLOW Land. A-FLOW Land's primary purpose is to engage in the land leasing business.

1.3 Approval of financial statements

The accompanying consolidated financial statements of the Group as at December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025 were approved for issuance by the Parent Company's Board of Directors (BOD) in a meeting dated February 12, 2026.

2 Cash and cash equivalents

Details of the account are as follows:

	2025	2024
Cash on hand	523	407
Cash in bank	139,930	242,270
Cash equivalent	14,638	-
	155,091	242,677

Cash in banks earn interest at the respective bank deposit rates.

Cash equivalents pertain to short-term, highly liquid investments that are readily convertible to known amounts of cash with original maturities of three (3) months or less from date of acquisition and subject to an insignificant risk of changes in value. Interest rates in 2025 ranges from 4.52% to 5.65% (2024 - 4.50% to 5.25%).

Interest earned from cash and cash equivalents amounted to P1.92 million in 2025 (2024 - P0.80 million; 2023 - P1.46 million) (Note 19).

3 Receivables, net

Details of the account are as follows:

	2025	2024
Trade receivables		
Land sales	3,682,028	4,529,068
Receivables from tenants	1,098,171	848,707
Non-trade receivables	548,299	523,033
	5,328,498	5,900,808
Less: allowance for expected credit losses	294,753	272,637
	5,033,745	5,628,171
Less: non-current portion	2,748,270	2,639,047
Receivables, current portion	2,285,475	2,989,124

Receivables from land sales represent amounts arising from sale of industrial lots, which are collectible in monthly installments within two to ten years from the date of sale. In 2025, the Group sold certain receivables from land sales amounting to P707.23 million on a without recourse basis to a partner mortgage bank for P661.30 million resulting in a loss amounting to P45.93 million recognized within interest expense in the statement of comprehensive income (Note 19). The proceeds from the sale of receivables were considered as cash flow from financing activities in the statement of cash flows.

Receivables from tenants represent the outstanding receivables arising from the lease of warehouse units, mall and office spaces and cold storage operations which are collectible within 30 days from billing date.

Non-trade receivables consist mainly of receivables from the government related to expropriation against certain properties of the Group, omnibus loan to a consolidator, a fully provided collateralized receivable from a third party after OLI's sale of its previously owned investment in equity securities, and a fully provided insurance receivables from policyholders, insurance agents and reinsurance companies. These are noninterest-bearing and are due and demandable.

The movements of allowance for expected credit losses on receivables follow:

	Note	Trade receivables	Non-trade receivables	Total
At January 1, 2024		78,844	195,046	273,890
Provision for impairment losses	18	23,747	-	23,747
Write-off		(25,000)	-	(25,000)
At December 31, 2024		77,591	195,046	272,637
Provision for impairment losses	18	23,822	-	23,822
Write-off		-	(1,706)	(1,706)
At December 31, 2025		101,413	193,340	294,753

4 Real estate held for development and sale, net

Details of the account are as follows:

	2025	2024
Land	5,913,075	5,745,773
Less: allowance for inventory write-down	39,848	39,848
	5,873,227	5,705,925

Land consists of parcels of land located in Cavite, Laguna, Batangas, Tarlac and Pampanga.

The composition of inventoriable costs as at December 31 follows:

	2025	2024
Land cost	5,193,823	5,420,363
Construction overhead and other related costs	719,252	325,410
	5,913,075	5,745,773

The roll forward analysis of real estate held for development and sale follows:

	Note	2025	2024
Balance at the beginning of the year		5,745,773	5,085,049
Acquisition		154,571	464,814
Development costs incurred		714,191	1,946,590
Cost of real estate (excluding management fees and commission)	17	(701,460)	(1,750,680)
		5,913,075	5,745,773
Less: allowance for inventory write-down		39,848	39,848
At net realizable value		5,873,227	5,705,925

Sale of real estates recognized in 2025 amounted to P1,675.32 million (2024 - P3,344.43 million; 2023 - P1,763.23 million) (Note 22). Real estate inventories recognized as cost of real estate sales amounted to P701.46 million (2024 - P1,750.68 million; 2023 - P984.44 million) (Note 17).

There are no real estate inventories held as collateral as at December 31, 2025 and 2024.

5 Financial assets at FVOCI

Details of the account are as follows:

	2025	2024
Equity securities	102,607	114,387
Debt securities	42,343	36,897
	144,950	151,284

Equity securities mainly pertain to quoted golf club shares and 19.65% equity interest in Cyber Bay Corporation (Note 16).

The Group's investment in Cyber Bay Corporation amounting to P458.07 million is fully provided of the allowance. As at December 31, 2025 and 2024, the book value of Cyber Bay shares amounted to nil.

Debt instruments pertain to quoted government securities.

Movements of financial assets at FVOCI for the years ended December 31 follows:

	2025	2024
Beginning of year	151,284	126,614
Unrealized gain	1,866	24,670
Proceeds from maturity	(8,200)	-
End of year	144,950	151,284

Interest earned from financial assets at FVOCI amounted to P1.30 million in 2025 (2024 - P1.46 million; 2023 - P2.34 million) (Note 19).

6 Financial assets at FVPL

This account pertains to investments in redeemable preferred shares and Unit Investment Trust Fund (UITF) designated as financial assets at FVPL.

Movements of financial assets at FVPL for the years ended December 31 follows:

	2025	2024
Beginning of year	4,906	4,798
Unrealized gain	35	108
Proceeds from sale	(4,941)	-
End of year	-	4,906

There were no dividend income earned from these shares in 2025, 2024 and 2023.

7 Other assets

Details of the account are as follows:

	2025			2024		
	Current	Non-current	Total	Current	Non-current	Total
Input VAT	982,795	327,892	1,310,687	824,450	452,452	1,276,902
Creditable withholding taxes	210,595	331,314	541,909	181,119	233,275	414,394
Advances to suppliers and contractors	-	492,214	492,214	345,452	-	345,452
Refundable deposits	6,147	113,252	119,399	6,135	108,651	114,786
Prepayments	94,623	-	94,623	91,811	-	91,811
Others	7,658	5,385	13,043	5,334	1,637	6,971
	1,301,818	1,270,057	2,571,875	1,454,301	796,015	2,250,316
Less allowance for impairment losses	2,696	-	2,696	8,953	-	8,953
	1,299,122	1,270,057	2,569,179	1,445,348	796,015	2,241,363

Input value added tax (VAT) pertains to VAT passed on from purchases of goods, services and capital goods which is available for application against output VAT.

Creditable withholding taxes (CWTs) are available for offset against income tax payable in the future periods.

Advances to suppliers and contractors pertain to advance payment to land owners for purchases of land and service contractors for construction services of the Group's real estate held for development and sale and or property and equipment and investment properties.

Refundable deposits pertain to deposits made to utility companies, other suppliers and various miscellaneous deposits.

Prepayments pertain to prepaid insurance, taxes and licenses and other prepaid expenses that are to be amortized over a period of one (1) year.

Others include software costs with depreciation expense recognized amounting to P3.02 million in 2025 (2024 - P0.03 million; 2023 - P0.02 million) (Note 18).

The movements of allowance for impairment losses for the year ended December 31, 2025 follow:

At January 1, 2025	8,953
Write-off	(6,257)
At December 31, 2025	2,696

There were no provisions for impairment losses for the years ended December 31, 2025, 2024 and 2023. (Note 18).

8 Investments in joint venture

On October 4, 2022, ALLHC entered into Joint Venture agreement with Flow Luna I Property Pte. Ltd (FLOW) representing 50% interest in A-FLOW Properties I Corp (A-FLOW PropCo), a joint venture involved in the establishing, developing, operating, leasing, and owning digital, critical, and physical infrastructure of and for data center facilities and other digital transformative technologies, as well as to render and provide services ancillary to the foregoing.

ALLHC's capital commitments is to fund equity required for the joint venture pari passu and on a pro rata basis to their agreed ownership ratio and in accordance with the terms of the agreement, provided that if there are shareholders of the A-FLOW PropCo other than FLOW, ALLHC and where applicable, their respective affiliates, the shareholders will fund equity based on their prevailing ownership ration.

Investments in joint ventures are accounted under the equity method of accounting.

Movement in investment in joint venture follows:

	Note	2025	2024
Beginning of the year		737,607	677,773
Investment including transaction costs during the year		593,000	83,000
Share in net loss during the year	19	(113,515)	(23,166)
End of year		1,217,092	737,607

Set out below is the summarized unaudited financial information for A-FLOW PropCo as at and for the years ended December 31:

	2025	2024
Current assets	1,087,371	771,681
Non-current assets	3,972,706	2,329,639
Current liabilities	(60,522)	(226,901)
Non-current liabilities	(2,881,072)	(1,710,000)
Equity	2,118,483	1,164,419
Revenue during the year	6,021	210
Net loss during the year	(227,030)	(46,333)
Total comprehensive loss during the year	(227,030)	(46,333)

ALLHC did not receive any dividends from A-FLOW PropCo for the year ended December 31, 2025 and 2024. ALLHC has not incurred any contingent liabilities as at December 31, 2025 and 2024 in relation to its interest in the joint ventures, nor do the joint ventures themselves have any contingent liabilities for which the ALLHC is contingently liable.

9 Investment properties, net

Details of the account are as follows:

December 31, 2025	Notes	Building and improvements	Land improvements	Construction in progress	Total
Cost					
Beginning of year		12,321,667	3,743,829	676,032	16,741,528
Additions during the year		122,444	9,516	204,958	336,918
Reclassifications during the year		119,770	-	(119,770)	-
End of year		12,563,881	3,753,345	761,220	17,078,446
Accumulated depreciation					
Beginning of year		4,496,069	36,972	-	4,533,041
Depreciation during the year	17,18	478,054	3,175	-	481,229
At end of year		4,974,123	40,147	-	5,014,270
Net book values		7,589,758	3,713,198	761,220	12,064,176

December 31, 2024	Notes	Building and improvements	Land improvements	Construction in progress	Total
Cost					
Beginning of year		12,049,402	3,636,622	529,917	16,215,941
Additions during the year		116,046	107,207	302,334	525,587
Reclassifications during the year		156,219	-	(156,219)	-
End of year		12,321,667	3,743,829	676,032	16,741,528
Accumulated depreciation					
Beginning of year		4,069,857	32,661	-	4,102,518
Depreciation during the year	17,18	426,212	4,311	-	430,523
At end of year		4,496,069	36,972	-	4,533,041
Net book values		7,825,598	3,706,857	676,032	12,208,487

Depreciation expenses of investment properties for the years ended December 31 were charged to the following accounts:

	Notes	2025	2024	2023
Cost of rental services	17	481,229	407,540	363,094
Operating expenses	18	-	22,983	19,737
		481,229	430,523	382,831

Fair Value of Investment Properties

The aggregate fair value of the Group's investment properties amounted to P20,309 million as at December 31, 2025 (2024 - P19,717 million). The fair value of the Group's investment properties is determined by independent professionally qualified appraisers, based on the latest valuation reports. Fair value was measured using income approach method with expected rental income and expenses as inputs (except URDC where sales comparison approach method has been used with comparable selling price as inputs). The fair value of the Group's investment property falls under Level 3 of the fair value hierarchy.

Gross profit from rental of investment properties for the years ended December 31 follows:

	Note	2025	2024	2023
Revenue from rental services		1,366,793	1,334,310	1,252,297
Cost of rental services	17	(1,177,655)	(1,135,332)	(1,086,011)
		189,138	198,978	166,286

The Group has no restriction on the realizability of its investment properties and no obligation to either purchase, construct or develop or for repairs, maintenance and enhancements.

10 Property and equipment, net

Details of the account are as follows:

	Notes	Land	Building	Leasehold improvements	Machinery and Equipment	Transportation equipment	Furniture, fixtures and equipment	Construction in Progress	Total
December 31, 2025									
Cost									
Beginning of year		356,433	1,027,337	11,122	68,491	40,075	148,346	264,751	1,916,555
Additions during the year		990,218	370,823	682	392	4,580	56,541	117,988	1,541,224
Disposals during the year		-	(80,951)	-	-	(2,160)	(6,850)	-	(89,961)
Reclassifications during the year		-	68,734	-	-	-	-	(68,734)	-
End of year		1,346,651	1,385,943	11,804	68,883	42,495	198,037	314,005	3,367,818
Accumulated depreciation and amortization									
Beginning of year		-	74,324	4,749	59,308	24,689	50,704	-	213,774
Depreciation and amortization during the year	17,18	-	46,398	1,241	3,618	5,560	5,029	-	61,846
Disposals during the year		-	(80,951)	-	-	(41)	(4,086)	-	(85,078)
End of year		-	39,771	5,990	62,926	30,208	51,647	-	190,542
Net book values		1,346,651	1,346,172	5,814	5,957	12,287	146,390	314,005	3,177,276

	Notes	Land	Building	Leasehold improvements	Machinery and Equipment	Transportation equipment	Furniture, fixtures and equipment	Construction in Progress	Total
December 31, 2024									
Cost									
Beginning of year		356,433	719,317	5,537	61,210	34,282	75,899	164,696	1,417,374
Additions during the year		-	2,214	5,585	7,281	6,115	72,447	405,861	499,503
Disposals during the year		-	-	-	-	(322)	-	-	(322)
Reclassifications during the year		-	305,806	-	-	-	-	(305,806)	-
End of year		356,433	1,027,337	11,122	68,491	40,075	148,346	264,751	1,916,555
Accumulated depreciation and amortization									
Beginning of year		-	54,078	3,578	57,626	19,667	48,029	-	182,978
Depreciation and amortization during the year	17,18	-	20,246	1,171	1,682	5,070	2,675	-	30,844
Disposals during the year		-	-	-	-	(48)	-	-	(48)
End of year		-	74,324	4,749	59,308	24,689	50,704	-	213,774
Net book values		356,433	953,013	6,373	9,183	15,386	97,642	264,751	1,702,781

Depreciation and amortization expenses of property and equipment for the years ended December 31 were charged to the following accounts:

	Notes	2025	2024	2023
Cost of storage services	17	22,354	20,565	34,174
Operating expenses	18	39,492	10,279	9,770
		61,846	30,844	43,944

11 Accounts payable and accrued expenses; Installment payables

Details of the account are as follows:

	Note	2025	2024
Trade payables		1,504,397	1,314,386
Payable to government agencies		309,140	405,286
Current portion of installment payables		284,511	284,511
Provision	25	90,490	89,418
Accrued expenses		20,086	75,964
Others		25,363	81,052
		2,233,987	2,250,617

Trade payable and accrued expenses are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Group is established. These are noninterest-bearing and are normally settled on thirty (30) days' term. Accrued expenses are noninterest-bearing and are normally settled on sixty (60) days' term or due and demandable. These are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Installment payables

This account pertains to the unpaid portion of the purchased price of investment properties and property and equipment acquired on installment basis. Details as at December 31 follow:

	2025	2024
Current portion	284,511	284,511
Non-current portion	188,679	444,360
	473,190	728,871

Movements in the unamortized discount of the Group's long-term installment payable follows:

	Note	2025	2024
Beginning of year		29,187	57,663
Accretion for the year	19	(19,698)	(28,476)
End of year		9,489	29,187

12 Short-term and long-term debts

Short-term debt

In 2025, the Company obtained short-term loans amounting to an aggregate of P1,100 million with local bank to fund its working capital requirement, carrying interest rates of 5.20% to 5.60% per annum and payable on demand with repricing every 45 days.

Long-term debts

The Group availed the following unsecured long-term debts with local banks for working capital requirements:

Loan	Borrower	Date availed	2025	2024	Details
			Outstanding balance		
1	ALLHC	November 2021	1,264,200	1,277,100	- Matures in November 2031 - Interest rate per annum is at 6.56% as at December 31, 2025 and 2024.
2	LTI	November 2021	676,200	683,100	- Matures in November 2031 - Interest rate per annum is at 6.56% as at December 31, 2025 and 2024.
3	AAI	September 2022	368,338	372,068	- Matures in September 2032 - Interest rate per annum is at 6.66% as at December 31, 2025 and 2024.
4	AAI	September 2022	125,412	126,682	- Matures in November 2032 - Interest rate per annum is at 6.66% as at December 31, 2025 and 2024.
			2,434,150	2,458,950	
Less: Deferred transaction costs			(11,412)	(13,061)	
			2,422,738	2,445,889	
Current portion of long-term debt			(24,800)	(24,800)	
Non-current portion of long-term debt			2,397,938	2,421,089	

Movements in short-term and long-term debts for the years ended December 31 are as follows:

	Note	2025	2024
Beginning of year		2,445,889	2,465,064
Availment of short-term loans during the year		1,100,000	-
Principal payments of long-term loans during the year		(24,800)	(21,050)
Amortization of deferred transaction costs	19	1,649	1,875
End of year		3,522,738	2,445,889

Amortization of deferred transaction costs amounted to P1.65 million for 2025 (2024 - P1.88 million; 2023 - P1.90 million) (Note 19).

Interest expense arising from bank loans amounted to P174.65 million for 2025 (2024 - P161.55 million; 2023 - P99.73 million) (Note 19).

These loans require that the borrowers comply with certain covenants including, among others, a bank debt to tangible net worth ratio. As at December 31, 2025 and 2024, the Group has complied with the loan covenants.

13 Rental and other deposits

Details of the account are as follows:

	2025			2024		
	Current	Non-current	Total	Current	Non-current	Total
Security deposits	167,985	481,867	649,852	289,694	280,888	570,582
Rental deposits	67,358	200,720	268,078	68,468	169,838	238,306
Construction bond	26,012	11,718	37,730	34,048	538	34,586
Others	9,214	10,438	19,652	12,464	10,044	22,508
	270,569	704,743	975,312	404,674	461,308	865,982

Tenants are required to post security deposits, which shall be refunded, without interest, within sixty (60) days after the expiration of the lease period, deducting the amount of damages to the leased premises, if any. Interest expense from accretion of security deposits amounted to P0.18 million for 2025 (2024 - P0.35 million; 2023 - P0.35 million) (Note 19).

Security deposits also include deposits that may be refunded or applied to any outstanding account of the customers at the end of the retail electricity supply term. The duration of these deposits ranges from three to six months.

Rental deposits are equivalent to tenant's three month's current rent and shall be increased annually or as is when the rental rate increases. These are paid upon signing of the contract of lease or possession of leased premises, whichever comes first and can be applied as payment for rent due for the last three months of the lease.

Construction bond is tenants' payments as security for repairs or any damaged caused to the Group's property arising out of or in connection to any loss, damage, or destruction to the leased premises as a result of the renovation or construction. The construction bond shall be equivalent to tenant's one month's minimum rent and can be applied as payment for outstanding accounts provided that they are in compliance with the construction guidelines and requirements imposed by the Group.

14 Equity

Capital stock and additional paid-in capital

Details of the Parent Company's capital stock and additional paid-in capital follows:

	2025		2024	
	Number of shares	Amount	Number of shares	Amount
Authorized, P1 par value	7,500,000,000	7,500,000,000	7,500,000,000	7,500,000,000
Issued	6,158,660,192	6,158,660,192	6,158,660,192	6,158,660,192
Subscribed	142,931,795	142,931,795	142,931,795	142,931,795
Subscription receivable		(84,085,522)		(87,263,931)
Issued and outstanding	6,214,328,056	6,217,506,465	6,214,328,056	6,214,328,056
Additional paid-in capital		6,025,833,899		6,023,733,248

Capital stock and additional paid-in capital increased by P3.2 million and P2.1 million, net of stock transaction costs, respectively, following collection of subscription receivable (2023 - P4.4 million and P3.0 million), respectively.

The Parent Company's track record of capital stock follows:

	Number of shares registered	Issue/offer price	Date of approval	Number of holders at year end
January 1, 2021	6,153,452,792			784
Add:				
Additional issuance	3,584,000	1.00/share	November 10, 2015	
Additional issuance	1,277,400	1.68/share	November 10, 2015	
Additional issuance	346,000	1.00/share	May 19, 1989	
December 31, 2021	6,158,660,192			740
December 31, 2022	6,158,660,192			727
December 31, 2023	6,158,660,192			734
December 31, 2024	6,158,660,192			735
December 31, 2025	6,158,660,192			727

Shares held by a subsidiary

In 2019, OLI subscribed to 49,444,216 shares of the Parent Company for a total consideration amounting to P144.38 million. The shares were listed in the Philippine Stock Exchange (PSE) on October 7, 2025.

Other comprehensive losses, net

Details of the Parent Company's other comprehensive losses, net follows:

	Note	2025	2024
Revaluation increment	9	155,642	165,682
Unrealized loss on financial assets at FVOCI	5	(1,031,884)	(1,034,252)
Loss on measurement of retirement benefits	20	(46,902)	(43,974)
		(923,144)	(912,544)

Capital Management

The primary objective of the Group's capital management is to optimize the use and earnings potential of the Group's resources and considering changes in economic conditions and the risk characteristics of the Group's activities.

The Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made in the objectives, policies or processes as at December 31, 2025 and 2024.

As at December 31, 2025 and 2024, the Group considers its capital stock, additional paid in capital and retained earnings as its capital.

The Group is not subject to externally imposed capital requirements.

15 Related party transactions

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under common control with the reporting enterprises and its key management personnel, directors or its stockholders. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form. The Group has an approval requirement and limits on the amount and extent on any related party transactions.

The Parent Company and its subsidiaries, in their normal course of business, have entered into transactions with related parties principally consisting of interest and noninterest-bearing advances with no fixed repayment terms and are due and demandable. These transactions are normally settled in cash. The assessment of impairment is undertaken at each financial year-end by examining the financial position of the related parties and the market in which the related parties operate. As at December 31, 2025 and 2024, the Group has not recognized any impairment on its amounts owed by related parties.

Amounts owed by related parties

	Transactions for the year		Due from		Terms and condition
	2025	2024	2025	2024	
Loans to related parties					These are unsecured, unguaranteed, interest bearing and collectible in cash within 12 months. Interest rate is at 4.50% to 5.78% per annum.
<i>Entities under common control</i>	487,595	685,382	753,419	842,570	
Interest Income (Note 19)					Interest income is due and demandable and shall be collected based on rates agreed between parties.
<i>Immediate Parent Company</i>	1,342	1,531	834	582	
<i>Entities under common control</i>	41,056	42,556	43,469	43,615	
	42,398	44,087	44,303	44,197	
Service fees					The Group entered into various service agreement including management and supervision of planning, design, construction and commissioning of real estate projects. In consideration of these services, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, noninterest bearing and collectible in on demand.
<i>Immediate Parent Company</i>	-	-	-	22,010	
<i>Entities under common control*</i>	6,609	-	8,017	4,895	
<i>Other related parties</i>	3,772	-	3,772	2,509	
	10,381	-	11,789	29,414	
Other receivables (Note 20)					The Company acquired pension obligation from an entity under common control following employee transfers. These are unsecured, unguaranteed, noninterest bearing and collectible in on demand.
<i>Entities under common control</i>	2,411	-	2,411	-	
Leases					The Group entered into commercial space short-term lease agreements as lessor with its related parties. In consideration, lease fee are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, noninterest bearing and collectible in on demand.
<i>Immediate Parent Company</i>	38,015	-	54,536	16,521	
<i>Other related parties</i>	8,645	-	8,645	-	
	46,660	-	63,181	16,521	
	589,445	729,469	875,103	932,702	

*Includes intercompany charging of P2,411 million related to transferred pension obligation of employee and management fees of P3,487 pertaining to the Parent Company's facilitation of a related party's dissolution, liquidation, and winding down of its business.

Amounts owed to related parties

	Transactions for the year		Due to		Terms and condition
	2025	2024	2025	2024	
Loans from related parties					
<i>Immediate Parent Company</i>	239,659	741,890	866,769	658,054	These are unsecured, unguaranteed, interest bearing and payable in cash within 12 months. Interest rate is at 4.50% to 5.78% per annum. These loans were obtained to fund the Company's working capital requirements and business operations.
<i>Entities under common control</i>	3,182,212	4,752,468	4,960,610	4,684,746	
	3,421,871	5,494,358	5,827,379	5,342,800	
Interest expense (Note 19)					
<i>Immediate Parent Company</i>	15,500	16,074	22,420	12,537	Interest expense is due and demandable and shall be payable based on interest rates agreed between parties.
<i>Entities under common control</i>	345,118	260,434	127,851	76,539	
	360,618	276,508	150,271	89,076	
Management fees and systems cost (Note 17 and 18)					
<i>Immediate Parent Company</i>	105,223	388,949	1,523,965	1,314,642	The Group entered into system cost and management fee agreement with its related parties. In consideration of these services, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, noninterest bearing and payable in on demand.
<i>Entities under common control</i>	94,655	-	12,276	3,300	
	199,878	388,949	1,536,241	1,317,942	
Construction contracts					
<i>Entities under common control</i>	33,123	161,843	145,858	221,959	The Group has engaged the services of its related parties for the technical due diligence, land development and construction of facilities within its real estate properties. In consideration of these services, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, noninterest bearing and payable in on demand.
Service and other fees					
<i>Entities under common control</i>	16,590	3,152	19,742	3,534	The Group engaged its related parties for certain service agreements including legal and professional services. In consideration of these services, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, noninterest bearing and collectible in on demand.
Purchase of real property					
<i>Ultimate Parent Company</i>	-	-	-	149,539	The Group acquired from its related parties, parcel of lots intended for industrial park development at agreed price. These are unsecured, unguaranteed, noninterest bearing and payable on demand.
	4,032,080	6,324,810	7,679,491	7,124,850	
Retention payable (Note 16)					
<i>Entities under common control</i>	30,027	52,736	30,027	52,736	Retention payable pertains to an amount deducted from the contractors' progress billing which will be released after the expiration of the project's warranty period happening 12 months after the end of the reporting period.
	30,027	52,736	30,027	52,736	

Compensation of key management personnel

The key management personnel of the Group are employees of ALI. As such, the compensation of the said employees is paid by ALI, the necessary disclosures required by PAS 24, Related Party Disclosure are included in the financial statements of ALI. Compensation for said employees are billed to the Group and form part of systems cost. Systems cost billed to the Group in 2025 amounted to P105.22 million (2024 - P49.47 million; 2023 - P25.12 million) (Note 18).

16 Other non-current liabilities

Details of the account are as follows:

	Note	2025	2024
Subscription payable on common shares of Cyber Bay		481,675	481,675
Retention payable			
Third-party related		127,670	195,249
Related party	15	30,027	52,736
		639,372	729,660

Retention payable pertains to an amount deducted from the contractors' progress billing which will be released after the expiration of the project's warranty period happening 12 months after the end of the reporting period.

17 Cost of real estate sales, rental and storage services

Cost of real estate sales

The details of this account follow:

	Notes	2025	2024	2023
Cost of real estate	4	701,460	1,750,680	984,438
Management fee	15	94,655	294,050	102,442
Commission		56,435	129,612	49,990
		852,550	2,174,342	1,136,870

Cost of rental services

The details of this account follow:

	Notes	2025	2024	2023
Depreciation and amortization	7,9,10,24	499,130	454,346	438,717
Share in CUSA related expenses		427,296	329,091	324,552
Taxes and licenses		150,437	159,989	148,770
Repairs and maintenance		48,196	56,780	46,063
Rental	24	12,505	9,575	9,404
Insurance		11,840	10,730	5,136
Professional fees		6,930	4,975	4,251
Supplies		1,001	4,998	1,844
Commissions		586	14,633	2,512
Management fees	15	-	45,430	51,217
Others		19,734	44,785	53,545
		1,177,655	1,135,332	1,086,011

Cost of storage services

	Notes	2025	2024	2023
Share in CUSA related expenses		163,708	63,022	48,941
Depreciation and amortization	7,9,10,24	70,559	40,046	28,322
Taxes and licenses		9,519	6,498	7,103
Rental	24	8,595	5,573	3,314
Repairs and maintenance		6,939	5,271	4,861
Supplies		3,854	2,671	2,696
Insurance		1,760	1,443	689
Others		14,140	6,349	5,139
		279,074	130,873	101,065

18 Operating expenses

The details of this account follow:

	Notes	2025	2024	2023
Personnel expenses				
Compensation and employee benefits		114,356	99,373	79,215
Retirement expense	20	6,329	4,604	3,236
Systems costs	15	105,223	49,469	25,116
Depreciation and amortization	7,9,10	42,511	33,265	29,523
Provision for impairment losses	3	23,822	23,747	-
Professional and legal fees		20,775	24,298	29,074
Janitorial and security services		19,396	10,948	11,025
Communication and transportation		17,271	11,990	7,826
Taxes and licenses		15,090	27,403	25,313
Rent and utilities		9,501	4,539	1,626
Supplies and repairs		8,506	8,427	4,498
Others		5,902	12,432	7,937
		388,682	310,495	224,389

19 Interest expense and bank charges, net; Miscellaneous income (charges)

Interest expense and bank charges, net

The details of this account follow:

	Notes	2025	2024	2023
Interest expense and bank charges				
Amounts owed to related parties	15	(360,618)	(276,508)	(202,644)
Bank loan	12	(174,653)	(161,550)	(99,727)
Interest expense on lease liabilities	24	(143,986)	(146,473)	(148,740)
Loss on sale of receivables	3	(45,933)	-	-
Discount amortization on long term liabilities	11	(19,698)	(28,476)	(37,970)
Discount amortization on bank loan	12	(1,649)	(1,875)	(1,904)
Discount amortization on security deposits	13	(178)	(354)	(354)
Bank charges and other charges		(71)	(367)	(754)
		(746,786)	(615,603)	(492,093)
Interest income				
Amounts owed by related parties	15	42,398	44,087	52,292
Cash and cash equivalents	2	1,921	792	1,456
Interest income on financial assets at FVOCI	5	1,300	1,458	2,335
Retirement benefits liability, net	20	94	260	679
Accretion on long term receivables		-	-	127,925
		45,713	46,597	184,687
		(701,073)	(569,006)	(307,406)

Miscellaneous income (charges)

The details of this account follow:

	Note	2025	2024	2023
Share in net loss of joint ventures	8	(113,515)	(23,166)	(5,837)
Reversal of excess accruals		106,489	-	68,052
Income from customer lounge		-	-	13,610
Management fees	15	3,487	-	-
Recoveries and other miscellaneous income		14,774	3,488	13,847
		11,235	(19,678)	89,672

20 Net pension (liabilities) assets

The Parent Company and LTI has a separate, funded, non-contributory retirement plan covering all its regular employees. The plan provides for retirement, separation, disability and death benefits to its members. The normal retirement benefit is based on a percentage of the employees' final monthly salary for every year of credited service. The latest independent actuarial valuation as at December 31, 2025 was determined using the projected unit credit method in accordance with PAS 19 (R).

The following tables summarize the funded status and amounts recognized in the consolidated statements of financial position, and the components of the net retirement benefit costs recognized in the consolidated statements of income for the retirement plan:

	2025	2024
Fair value of plan assets	24,187	22,059
Present value of retirement benefit obligation	(33,923)	(20,540)
Net pension (liabilities) assets	(9,736)	1,519

	Notes	2025	2024	2023
Current service cost	18	6,329	4,604	3,236
Interest income	19	(94)	(260)	(679)
		6,235	4,344	2,557

Changes in fair value of plan assets follows:

	2025	2024
Beginning of year	22,059	20,686
Interest income	1,879	1,772
Remeasurement loss	(685)	(560)
Contribution	1,295	1,217
Benefits paid by the plan assets	(361)	(1,056)
End of year	24,187	22,059

Changes in the retirement benefit obligation follows:

	Note	2025	2024
Beginning of year		20,540	16,253
Current service cost		6,329	4,604
Interest cost		1,785	1,512
Benefits paid by the plan assets		(361)	(1,056)
Remeasurement loss (gain)		3,219	(773)
Net acquired obligation due to employee transfers	20	2,411	-
End of year		33,923	20,540

The categories of plan assets as a percentage of fair value of the total plan assets follows:

	2025	2024
Cash	0.18%	2.30%
Debt securities	99.77%	97.57%
Others	0.05%	0.13%
	100.00%	100.00%

The plan assets are invested in different financial instruments and do not have any concentration risk. The asset allocation of the plan is set and reviewed from time to time by the Trustee taking into account the membership profile and the liquidity requirements of the plan. This also considers the expected benefit cash flows to be matched with asset durations. Debt securities include investments in government debt securities that are in the form of fixed rate treasury notes and retail treasury bonds issued by the Philippine government. The Group does not expect to contribute to the retirement plan for the year 2025.

The principal assumptions used to determine pension for the Group are as follows:

	2025	2024	2023
Discount rates	5.47% to 7.47%	5.18% to 7.18%	6.12% to 6.21%
Salary increase rate	5.00% to 7.00%	4.00% to 6.50%	5.00% to 6.50%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as at the end of the reporting period, assuming all other assumptions were held constant:

	Impact on retirement benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
<i>December 31, 2025</i>			
Discount rate	+/-1%	(39,250)	46,959
Future salary increases	+/-1%	47,026	(39,062)
<i>December 31, 2024</i>			
Discount rate	+/-1%	(19,062)	23,923
Future salary increases	+/-1%	23,999	(18,829)

It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which change other than those assumed may be deemed to be more reasonable.

The following table shows the maturity profile of the Group's defined benefit obligation based on undiscounted benefit payments:

	2025	2024
Less than 1 year	5,445	233
More than 1 year to 10 years	33,171	24,067
More than 10 years to 20 years	125,904	61,974
More than 20 years	449,181	337,853

The average duration of the defined benefit obligation is 16 to 23 in 2025 (2024 - 15 to 24 years).

21 Income tax

	2025	2024	2023
Current	73,385	101,034	132,255
Deferred	48,491	(15,064)	(24,359)
	121,876	85,970	107,896

Registration with the Philippine Economic Zone Authority (PEZA) and Board of Investments (BOI) Incentives

LTI is a PEZA registrant as a non-pioneer "ecozone developer/operator" of Laguna Technopark Special Economic Zone and Cavite Technopark Special Economic Zone. LTI pays income tax at the special tax rate of 5% on its gross income earned from sources with the PEZA economic zone in lieu of paying all national and local income taxes. Income generated from sources outside of the PEZA economic zone shall be subject to regular internal revenue taxes. LTI and URDC are BOI registrants in accordance with the existing Omnibus Investment Code. The projects located in Pampanga, Batangas and Laguindingan have been granted an Income Tax Holiday (ITH) for a period of four (4) to five (5) years from the date of commercial operations. The reconciliation of the statutory income tax rates to the effective income tax rates follows:

	2025	2024	2023
At statutory tax rates	25%	25%	25%
Additions to (reductions in) income taxes resulting from:			
Movements in unrecognized deferred income tax assets	37.0	7.6	6.1
Income from registered activities subject to lower income tax	(54.9)	(24.1)	(19.2)
Non-deductible expenses	28.9	2.5	5.7
Other non-taxable income	(0.1)	(0.1)	(3.0)
At effective tax rates	35.9%	10.9%	14.6%

Deferred tax assets and deferred tax liabilities are offset on per entity level and the net amount is reported in consolidated statement of financial position as follows:

Deferred income tax assets, net

	2025	2024
Deferred income tax asset on:		
Lease liabilities	383,344	460,228
Unamortized discount on long term receivable	38,675	38,675
Allowance for impairment losses on receivables	16,100	10,571
Accrued expense	24,188	39,570
NOLCO	14,976	37,591
Remeasurement loss on retirement benefits liability	311	350
Others	1,926	3,069
	479,520	590,054
Deferred income tax liability on:		
Right-of-use asset	(184,931)	(264,079)
Recovery on insurance	(81,985)	(81,985)
Revaluation reserve on investment properties	(37,843)	(43,866)
Accrued rent income	(15,158)	(15,158)
Pension assets	(3,760)	(1,551)
Unrealized gain on foreign exchange	-	(891)
Others	4,863	(412)
	(318,814)	(407,942)
	160,706	182,112

Deferred income tax liabilities, net

	2025	2024
Deferred income tax liabilities:		
Deferred profit on installment sales	103,786	157,064
Revaluation increment on property and equipment	66,517	73,573
Accrued rent income	119,569	29,882
Discount on purchase price payable	3,604	7,208
Undepreciated capitalized interest	2,785	4,893
Unrealized gain on valuation of FVOCI	372	2,049
	296,633	274,669

Deferred income tax assets are recognized only to the extent that taxable income will be available against which the deferred income tax assets can be used. The Group reassesses the unrecognized deferred income tax assets on the following deductible temporary differences, NOLCO and MCIT and recognizes the previously unrecognized deferred income tax assets to the extent that it has become probable that future taxable income would allow the deferred income tax assets to be recovered.

Unrecognized deferred income tax assets are as follows:

	2025	2024
Allowance for impairment losses	74,362	75,310
NOLCO	142,463	72,484
MCIT	6,039	4,333

As at December 31, the details of the Group's NOLCO that can be claimed as deductions from future taxable income for the succeeding years are as follows:

Year incurred	Year of expiration	2025	2024
2020	2025	-	49,157
2021	2026	37,636	37,636
2022	2025	-	42,520
2023	2026	169,068	169,068
2024	2027	141,919	141,919
2025	2028	281,132	-
		629,755	440,300
Tax rate		25%	25%
		157,439	110,075
Recognized DTA on NOLCO		14,976	37,591
Unrecognized DTA on NOLCO		142,463	72,484

22 Segment information

The Group's operating businesses are recognized and managed according to the nature of the products or services offered, with each segment representing a strategic business unit that serves different markets. The BOD is the chief operating decision maker of the Group. Segment assets and liabilities reported are those assets and liabilities included in measures that are used by the BOD.

Segment revenue, expenses and performance include transfers between business segments. The transfers are accounted for at competitive market prices charged to unaffiliated customers for similar products. Such transfers are eliminated in consolidation.

Revenue from Contracts with Customers

The Group derives revenue from the transfer of goods and services over time.

Geographical Segments

The Group does not have geographical segments.

Business Segments

The Group's operating businesses are organized and managed separately according to the nature of services provided and the different markets served, with each segment representing a strategic business unit.

The industry segments where the Parent Company and its subsidiaries operate are as follows: (1) Holding Company; (2) Real estate and property development - commercial leasing and industrial lot sales and development; (3) Cold storage operations.

The amount of segment assets and liabilities are based on measurement principles that are similar with those used in measuring assets and liabilities in the consolidated statements of financial position which is in accordance with PFRS Accounting Standards.

Financial information about the operations of these business segments is summarized as follows:

	Holding company	Real Estate and Property Development*	Cold Storage Operations	Others	Subtotal	Elimination	Total
December 31, 2025							
Revenues	-	3,355,918	308,125	90,213	3,754,256	(3,585)	3,750,671
Cost and expenses	(29,906)	(2,337,277)	(311,560)	(23,660)	(2,702,403)	4,442	(2,697,961)
Other income (charges)	(261,773)	(371,811)	(94,316)	17,295	(710,605)	-	(710,605)
Profit (loss) before income tax	(291,679)	646,830	(97,751)	83,848	341,248	857	342,105
Income tax expense (benefit)	22,581	83,843	(2,635)	18,087	121,876	-	121,876
Net income	(314,260)	562,987	(95,116)	65,761	219,372	857	220,229
Segment assets	16,977,026	27,588,547	4,003,140	1,603,406	50,172,119	(17,986,251)	32,185,868
Segment liabilities	5,207,684	11,800,434	3,516,432	441,676	20,966,226	(3,886,226)	17,080,000
December 31, 2024							
Revenues	-	5,024,340	163,474	3,585	5,191,399	(3,585)	5,187,814
Cost and expenses	(20,490)	(3,531,300)	(173,471)	(29,685)	(3,754,946)	3,904	(3,751,042)
Other income (charges)	(210,252)	(402,158)	(39,689)	2,053	(650,046)	-	(650,046)
Profit (loss) before income tax	(230,742)	1,090,882	(49,686)	(24,047)	786,407	319	786,726
Income tax expense (benefit)	15	80,395	8,013	(2,453)	85,970	-	85,970
Net income	(230,757)	1,010,487	(57,699)	(21,594)	700,437	319	700,756
Segment assets	16,029,699	28,553,318	1,457,758	1,875,791	47,916,566	(17,177,270)	30,739,296
Segment liabilities	4,436,101	12,673,821	754,770	1,173,273	19,037,965	(3,183,102)	15,854,863
December 31, 2023							
Revenues	-	3,087,020	169,490	257,147	3,513,657	(3,585)	3,510,072
Cost and expenses	(25,856)	(2,254,052)	(105,159)	(162,049)	(2,547,116)	(1,219)	(2,548,335)
Other income (charges)	(84,632)	(123,251)	(17,624)	4,483	(221,024)	3,290	(217,734)
Profit (loss) before income tax	(110,488)	709,717	46,707	99,581	745,517	(1,514)	744,003
Income tax expense (benefit)	(15,864)	91,851	7,386	24,523	107,896	-	107,896
Net income	(94,624)	617,866	39,321	75,058	637,621	(1,514)	636,107
Segment assets	16,101,912	25,538,915	2,499,829	2,125,137	46,265,793	(17,643,664)	28,622,129
Segment liabilities	4,309,876	11,551,651	1,443,323	696,262	18,001,112	(3,286,192)	14,714,920

*includes lot sales and rental revenue amounting to P1,675.32 million and P1,366.79 million, respectively (2023 - P3,344.43 million and P1,334.31 million, respectively; 2023 - P1,763.23 million and P1,252.30 million, respectively) (Note 4).

23 Earnings per share

The following table presents information necessary to calculate basic earnings per share:

	2025	2024	2023
Net income attributable to equity holders of the Parent	200,410	700,909	625,222
Weighted average number of shares	6,252,148	6,252,148	6,252,148
Basic/diluted earnings per share	0.03	0.11	0.10

Impact of ESOWN plan is not material to the calculation of earnings per share.

24 Leases

Group as Lessee

The Parent Company and its subsidiaries entered in the various long-term contracts for land used in its operations. Renewable lease contracts are subject to the mutual agreement of the parties and to compliance with the terms and conditions of the lease agreement.

TPI

In 1990, TPI, through a Deed of Assignment, entered into a lease contract for the Tutuban Terminal. The contract provided for a payment of a guaranteed minimum annual rental, 12% escalation rate every two (2) years, additional P10 million every two (2) years, plus 2% of gross revenues. The lease covers a period of twenty-five (25) years until 2014 and is automatically renewable for another twenty-five (25) years. In 2009, TPI renewed its lease contract for another twenty-five (25) years beginning September 5, 2014 until 2039.

LTI

In 2017, LTI entered into separate lease contract with ALI, Alveo Land, Corp. (Alveo) and Nuevocentro, Inc. (Nuevo) related parties, to lease parcels of land primarily for the construction, development and operation of Standard Factory Buildings (SFBs). The lease contract provided for a payment of a guaranteed minimum monthly rental with a 10% escalation rate every five (5) years. The lease contract with ALI and Alveo covers a period of twenty-five (25) years until December 31, 2041 and are renewable while the lease contract with Nuevo covers a period of thirty (30) years until October 31, 2047 and is renewable for another ten (10) years.

In 2019, LTI entered another lease contract with Nuevo still for the construction, development and operation of SFBs. The contract provided for a payment of a guaranteed minimum monthly rental with a 10% escalation rate every five (5) years. The lease covers a period of twenty-nine (29) years until October 31, 2047 and is renewable for another ten (10) years.

Set out below are the carrying amounts of right-of-use assets recognized and the movements as at and for the year December 31:

	Note	2025	2024
Beginning of year		999,762	1,066,049
Amortization expense	17	(66,106)	(66,287)
Adjustments		(18,333)	-
End of year		915,323	999,762

Set out below are the carrying amounts of lease liabilities and the movements as at and for the year December 31:

	Note	2025	2024
Beginning of year		1,713,446	1,724,979
Accretion of interest	19	143,986	146,473
Payments		(328,301)	(158,006)
End of year		1,529,131	1,713,446
Less: Current portion		(160,407)	(36,014)
Non-current portion		1,368,724	1,677,432

As at December 31, the maturity analysis of undiscounted lease payments follows:

	2025	2024
Within one (1) year	361,665	347,859
More than one (1) year to five (5) years	959,507	909,207
More than five (5) years	1,852,702	2,004,989
	3,173,874	3,262,055

As at December 31, the following are the amounts recognized in profit or loss:

	Notes	2025	2024	2023
Accretion of interest on lease liabilities	19	143,986	146,473	148,740
Amortization expense for right-of-use assets	17	66,106	66,287	69,771
Variable lease payments	17	9,487	9,575	9,404
Short-term leases charged to cost of sales	17	11,613	5,573	4,861
		231,192	227,908	232,776

Group as a Lessor (Operating leases)

The Group has entered into commercial property leases on its buildings. These leases have remaining terms of one (1) year to less than five (5) years except for one (1) tenant with lease term of 15 years. Renewals are subject to the mutual consent of the lessor and the lessee.

The total other revenues of the Group for the year ended December 31, 2025 amounting to P400.43 million (2024 - P345.60 million; 2023 - P325.05) includes gross CUSA and air-conditioning charges amounting to P334.19 million (2024 - P305.87 million; 2023 - P292.95 million).

As at December 31, future minimum rentals receivable under non-cancellable operating leases of the Group follows (amounts in thousands):

	2025	2024
Less than one (1) year	1,276,726	1,285,364
One (1) year to five (5) years	3,538,346	3,589,572
More than five (5) years	2,161,034	2,190,647
	6,976,106	7,065,583

25 Provisions and contingencies

The Group, in the ordinary course of business, is involved in various legal proceedings and assessments that are either pending decision by the courts or under on-going discussions. Management and its legal counsels believe that the eventual outcome of these lawsuits or claims will not have a material effect on the consolidated financial statements. It is possible, however, that future results of operations could be materially affected by changes in the estimates or in the effectiveness of the strategies relating to these proceedings.

The roll forward of the provisions follows:

	Note	2025	2024
Beginning of year		89,418	32,057
Provisions during the year		20,767	61,362
Settlements during the year		(19,695)	(4,001)
End of year	11	90,490	89,418

The detailed information normally required under PAS 37, Provisions, Contingent Liabilities and Contingent Assets, is not disclosed as it may prejudice the outcome of the proceedings.

26 Share-based payments

In 2015, the Group introduced the ESOWN Plan (the Plan) wherein grantees (employees within ALLHC Group) may subscribe in whole or in part to the shares awarded to them based on a discounted market price, but in no case lower than the par value, that was determined at grant date. The grantees will pay for the shares subscribed through installments over a maximum period of ten (10) years.

There are no share-based compensation granted for the years ended December 31, 2025 and 2024.

27 Financial instruments

Fair Value Information

The following tables set forth the carrying values and estimated fair values of the Group's financial assets and liabilities recognized as at December 31:

	2025		2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortized costs				
Cash and cash equivalents	155,091	155,091	242,677	242,677
Receivables	5,033,745	5,033,745	5,628,171	5,628,171
Amounts owed by related parties	875,103	875,103	932,702	932,702
Refundable deposits	119,399	119,399	114,786	114,786
Financial assets at FVPL	-	-	4,906	4,906
Financial assets at FVOCI	144,950	144,950	151,284	151,284
	6,328,288	6,328,288	7,074,526	7,074,526
Financial liabilities				
Accounts payable and accrued expenses	2,082,982	2,082,982	2,200,273	2,200,273
Amounts owed to related parties	7,679,491	7,679,491	7,124,850	7,124,850
Short-term and long-term debts	3,534,150	3,534,150	2,445,889	2,445,889
Rental and other deposits	660,290	660,290	583,876	583,876
Lease liabilities	1,529,131	1,529,131	1,713,446	1,713,446
Subscription payable	481,675	481,675	481,675	481,675
	15,967,719	15,967,719	14,550,009	14,550,009

The following method and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such values at December 31, 2025 and 2024 are set out below:

Cash and cash equivalents

The carrying amount of cash and cash equivalents approximates its fair values due to the short-term maturity of this financial instrument.

Receivables, Accounts payable and accrued expenses, Amounts owed to and by related parties, and Short-term debt

The carrying amounts of the current portion of receivables, accounts payable and accrued expenses, amounts owed to and by related parties and short-term debt approximate their fair values due to their short-term nature.

The fair value of the non-current portion of land sales trade receivables as at December 31, 2025 and 2024 is based on the undiscounted value of future cash flows as the impact of discounting is immaterial.

Accounts payable and accrued expenses exclude payable to government agencies and provisions which are not considered financial liabilities.

Refundable Deposits under Other non-current assets and Rental and Other Deposits

The carrying amounts of current portion of rental and other deposits approximates its fair value due to the short-term maturity of this financial instrument. The fair values of noncurrent security deposit recorded under 'Rental and other deposits' and refundable deposits recorded under 'Other noncurrent assets' are determined by discounting future cash flows using the applicable rates of similar types of instruments.

Long-term debts and lease liabilities

The fair values of long-term debts and lease liabilities are estimated using the discounted cash flow methodology using the Group's current incremental borrowing rates and current yield rates for similar borrowings with maturities consistent with those of the liabilities being valued. The discount rates used ranged from 1.02% to 5.09%.

Financial Assets at FVOCI

Except for Investment in Cyber Bay equity securities, equity financial assets that are listed are based on their quoted prices published in markets as at December 31, 2025 and 2024. Debt financial assets that are quoted are based on published market prices as at December 31, 2025 and 2024.

Financial Assets at FVPL

Listed equity securities designated as financial assets at FVPL are based on their quoted prices as at December 31, 2024. The fair value of the UITF has been determined based on the net asset values as at reporting date, based on the nature and level of adjustments needed to be made to the NAV and the level of trading in the money market UITF.

Fair Value Hierarchy

Quoted FVOCI financial assets amounting to P144.95 million as at December 31, 2025 were classified under Level 1 (2024 - P151.28 million) (Note 5).

Quoted FVPL financial assets amounting to P4.91 million as at December 31, 2024 were classified under Level 1 (Note 6).

The fair value disclosure of receivables, long-term debt, rental and other deposits and refundable deposits as at December 31, 2025 and 2024, were classified under Level 3.

There have been no reclassifications from Level 1 to Level 2 categories in 2025 and 2024.

Financial Risk Management Objectives, Policies and Capital Management

The Group has various financial instruments such as cash and cash equivalents, receivables, amounts owed by/to related parties, financial assets at FVOCI, FVPL investments, deposits under other noncurrent assets, accounts payable and accrued expenses, rental and other deposits, long term debt and subscriptions payable.

The main purpose of these financial instruments is to raise funds and maintain continuity of funding and financial flexibility for the Group. The Group has other financial liabilities such as accounts payable and accrued expenses and rental and other deposits, which arise directly from its operations.

The main risks from the use of financial instruments are liquidity risk, credit risk and equity price risk.

The Group's BOD reviews and approves policies for managing these risks as summarized below.

Liquidity Risk

Liquidity risk arises when there is a shortage of funds and the Group as a consequence could not meet its maturing obligations.

In the management of liquidity, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows.

The tables below summarize the maturity profile of the Group's financial liabilities as at December 31, based on contractual undiscounted payments:

	On demand	Less than 3 months	3 to 6 months	6 to 12 months	Over 1 Year	Total
December 31, 2025						
Accounts payable and accrued expenses	1,504,397	-	45,449	284,511	188,679	2,023,036
Amounts owed to related parties	7,679,491	-	-	-	-	7,679,491
Short-term debts and interest payable	1,109,540	-	-	-	-	1,109,540
Long-term debts and interest payable	10,465	26,193	29,797	81,057	3,017,050	3,164,562
Rental and other deposits	-	-	-	167,895	492,305	660,200
Lease liabilities	-	90,416	90,416	180,833	2,812,208	3,173,874
Subscription payable	-	-	-	-	481,675	481,675
	10,303,893	116,609	165,662	714,296	6,991,917	18,292,378
December 31, 2024						
Accounts payable and accrued expenses	1,314,386	-	157,016	284,511	444,360	2,200,273
Amounts owed to related parties	7,124,850	-	-	-	-	7,124,850
Long-term debts and interest payable	11,952	24,871	37,095	74,666	3,158,726	3,307,310
Rental and other deposits	-	-	-	292,944	290,932	583,876
Lease liabilities	-	86,945	86,945	176,969	2,914,196	3,265,055
Subscription payable	-	-	-	-	481,675	481,675
	8,451,188	111,816	281,056	829,090	7,289,889	16,963,039

Equity Price Risk

The Group is exposed to equity securities price risk arising from the Group's financial asset measured at FVOCI in the consolidated statements of financial position. Components of equity would increase or decrease as a result of gains or losses on such equity securities classified as financial asset measured at FVOCI. Management, however, does not foresee exposure to price risk on its financial assets at FVOCI to be significant.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The Group's gross maximum exposure to credit risk as at December 31, is equal to the carrying values of its financial assets. The details follow:

	Gross maximum exposure
December 31, 2025	
Cash in banks and cash equivalents	154,568
Trade receivables	
Land sales	3,682,028
Receivables from tenants	1,098,171
Non-trade receivables	548,299
Financial assets at FVOCI - quoted debt securities	40,751
	5,523,817
December 31, 2024	
Cash in banks and equivalents	242,270
Trade receivables	
Land sales	4,529,066
Receivables from tenants	848,707
Non-trade receivables	523,033
Financial assets at FVOCI - quoted debt securities	36,897
	6,179,973

Cash in banks and cash equivalents

Cash in banks and cash equivalents are still subject to credit risk but impairment is deemed insignificant. Credit risk from balances with banks and financial institutions and related parties is managed by the Group's treasury department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the Group's Board of Directors on an annual basis and may be updated throughout the year subject to approval of the Group's Finance Committee. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through a counterparty's potential failure to make payments.

Trade receivables - real estate receivables

For real estate receivables, exposure to credit risk is not significant given that title of the real estate property is only transferred to the customer if the consideration had been fully paid. In case of default, after enforcement activities, the Group has the right to cancel the sale and enter into another contract to sell to another customer after certain proceedings (e.g. grace period, referral to legal, cancellation process, reimbursement of previous payments) had been completed. Applying the expected credit risk model did not result in the recognition of an impairment loss for real estate receivables in 2025 and 2024.

Trade receivables - receivable from tenants

Credit risk arising from receivables from tenants of leasing properties is primarily managed through a tenant selection process. Prospective tenants are evaluated on the basis of payment track record and other credit information. In accordance with the provisions of the lease contracts, the lessees are required to deposit with the Group security deposits and advance rentals which helps reduce the Group's credit risk exposure in case of defaults by the tenants. The security deposits are considered in the calculation of impairment as recoveries. For existing tenants, the Group has put in place a monitoring and follow-up system. These are aged and analyzed on a continuous basis to minimize credit risk associated with these receivables. Regular meetings with tenants are also undertaken for further assessment of paying capacity.

Set out below is the information about the credit risk exposure of the Group's trade receivables from tenants using a provision matrix excluding rental accruals:

	Current	More than 30 days	More than 60 days	More than 90 days	Total
2025					
Expected credit loss rate	0.73%	8.72%	31.86%	14.57%	9.26%
Total gross carrying amount	417,429	63,586	19,983	593,588	1,094,585
Expected credit losses	3,042	5,543	6,366	86,462	101,413
2024					
Expected credit loss rate	1.01%	11.82%	10.19%	15.46%	9.14%
Total gross carrying amount	310,764	70,406	116,521	351,016	848,707
Expected credit losses	3,129	8,324	11,877	54,261	77,591

Applying the expected credit risk model resulted in the recognition of an impairment loss for trade receivable from tenants amounting to P23.82 million in 2025 and P23.75 million in 2024. There were no impairment losses recognized in 2023. The Company written off P25.00 million of its trade debtor receivables in 2024 (Note 3).

Generally, "Trade receivables" under "Receivables" receivables are written-off if past due for more than one year and are not subject to enforcement activity.

Non-trade receivables

Credit risk exposure in respect of all other counterparties is managed by setting standard business terms that are required to be met by all counterparties. An impairment analysis is performed at each reporting date to consider when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full. These receivables are written off when there is no reasonable expectation of recovering the contractual cash flows. There were no impairment losses recognized in 2025 and 2024 applying the expected credit risk model. Total write offs amounted to P1.7 million in 2025 (Note 3).

Financial assets at FVOCI - quoted debt securities

The Group's debt instruments at fair value through OCI comprise solely of government securities. The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade' and, therefore, are considered to be low credit risk investments. It is the Group's policy to measure expected credit losses (ECLs) on such instruments on a 12-month basis. Applying the expected credit risk model did not result in the recognition of an impairment loss in 2025 and 2024.

28 Significant Accounting Judgments, Estimates and Assumptions

The preparation of the consolidated financial statements in accordance with PFRS requires the Group to make judgments and estimates that affect the reported amounts of assets, liabilities, revenues and expenses and disclosures, at the end of the reporting period. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the consolidated financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcome can differ from these estimates.

Judgments

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

Determining the lease term of contracts with renewal and termination options - Group as lessee

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The renewal periods for leases of land with longer non-cancellable periods (i.e., 10 to 15 years) are not included as part of the lease term since it is reasonably certain that the Group will exercise the option to renew or not exercise the option to terminate. Renewal or termination of lease is subject to mutual agreement with the lessors.

Classification of joint venture

The Group's investment in joint venture is structured in separate incorporated entity. The respective joint arrangement agreement requires unanimous consent from all parties to the agreement for the relevant activities identified. The Group and the party to the agreement only have the rights to the net assets of the joint venture through the terms of contractual arrangements.

Assessing operating lease commitments - Group as lessor

The Group has entered into commercial property leases on its investment properties portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out under operating lease arrangements.

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 the other assets used in the production or supply process.

Some properties comprise a portion that is held to earn rentals for capital appreciation and another portion that is held for administrative purposes. If these portions cannot be sold separately, the property is accounted for as investment property only if an insignificant portion is held for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

Assessing realizability of deferred income tax assets

The Group reviews the carrying amounts of deferred income tax assets at each end of the reporting period and reduces it to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized. Judgments and estimation are required to determine the amount of deferred income tax assets that can be recognized based upon the likely timing and level of future taxable income together with future tax planning strategies. However, there is no assurance that the Group will generate sufficient future taxable profits to allow all or part of its deferred income tax assets to be utilized.

The temporary differences, NOLCO and MCIT for which no deferred income tax assets were recognized, as the management has assessed that it is not probable that sufficient future taxable income will be available for which the benefit of the deferred income tax assets can be utilized, are disclosed in Note 21.

Estimates and assumptions

The key estimates and 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 financial year are discussed below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes in circumstances arising beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

Revenue recognition on real estate projects

The Group's revenue recognition policy requires management to make use of estimates and assumptions that may affect the reported amounts of revenues. The Group's revenue from real estate, mainly arising from residential development, is recognized based on the percentage of completion and this is measured principally on the basis of the estimated completion of a physical proportion of the contract work. Apart from involving significant estimates in determining the quantity of inputs such as materials, labor and equipment needed, the assessment process for the percentage of completion is complex and the estimated project development costs requires technical determination by management's specialists (project engineers).

Following the pattern of real estate revenue recognition, the cost to sell and cost to obtain a contract (e.g., commission), is determined using the percentage of completion. To determine the cost of sales, the percentage of completion is applied to the standard cost which is regularly reviewed and adjusted to actual cost.

Leases - estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

The IBR therefore reflects what the Group 'would have to pay', which requires estimation when no observable rates are available (such as for subsidiaries that do not enter into financing transactions) or when they need to be adjusted to reflect the terms and conditions of the lease. The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates.

Provision for expected credit losses of trade and other receivables

The Group uses a provision matrix to calculate ECLs for trade receivables except for receivables from real estate. The provision rates are based on days past due for groupings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the Group's historical observed default rates. The Group will calibrate the matrix to adjust the historical credit loss experience with forward-looking information such as Gross Domestic Product growth rate and inflation rate. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed.

The Group uses vintage analysis approach to calculate ECLs for real estate receivable. The vintage analysis accounts for expected losses by calculating the cumulative loss rates of a given loan pool. It derives the probability of default from the historical data of a homogenous portfolio that share the same origination period. The information on the number of defaults during fixed time intervals of the accounts is utilized to create the PD model. It allows the evaluation of the loan activity from its origination period until the end of the contract period.

The assessment of the correlation between historical observed default rates, forecast economic conditions (gross domestic product and inflation rate) and ECLs is also significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Group's historical credit loss experience and forecast of economic conditions may also not be representative of customer's actual default in the future. The information about the ECLs on the Group's trade receivables is disclosed in Notes 5 and 27.

Estimating useful lives of depreciable investment properties and property and equipment

The estimated useful lives used as bases for depreciating and amortizing the Group's investment properties and property and equipment were determined on the basis of management's assessment of the period within which the benefits of these asset items are expected to be realized taking into account actual historical information on the use of such assets as well as industry standards and averages applicable to the Group's assets. The Group estimates the useful lives of its investment properties and property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of investment properties and property and equipment are reviewed, at least, annually and are updated if expectations differ from previous estimates due to physical wear and tear and technical or commercial obsolescence on the use of these assets. It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of these assets increases depreciation and amortization and decreases the carrying value of investment properties and property and equipment.

Information on the estimated useful life of investment properties and property and equipment is included in Note 29.9 and 29.10, respectively.

Determining retirement benefits liability

The cost of defined retirement obligation as well as the present value of the defined benefit obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future retirement increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligation are highly sensitive to changes in these assumptions. The assumptions are reviewed at each end of the reporting period.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation. Further details about the assumptions used are provided in Note 20.

Assessing and estimating contingencies and provisions

The Group is involved in certain disputes for which the Group has recognized provisions for probable expenses, which may be incurred, and disclosed relevant information about such contingencies.

29 Summary of material accounting policies

29.1 Basis of preparation

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- Debt and equity financial assets measured at fair value
- Certain financial instruments and lease liabilities carried at amortized cost
- Investments in joint ventures in which equity method of accounting is applied;
- Retirement benefit obligation measured at the present value of the defined benefit obligation net of the fair value of the plan assets.

The consolidated financial statements are presented in Philippine Peso, which is the Parent Company's functional currency. All amounts are rounded off to the nearest thousand, except when otherwise indicated.

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

29.2 Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards;
- PAS Standards; and
- Interpretation of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and adopted by SEC.

29.3 Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Group as at December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025.

Subsidiaries are consolidated from the date on which control is transferred to the Group and cease to be consolidated from the date on which control is transferred out of the Group. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the group ceases control over a subsidiary.

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

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

Generally, there is a presumption that a majority of voting rights result in control.

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

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

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

The financial statements of the subsidiaries are prepared for the same accounting period as the Parent Company using uniform accounting policies. All significant intercompany transactions and balances between and among the Group, including intercompany profits and unrealized profits, are eliminated in the consolidation.

Non-controlling interests represent the portion of profit or loss and net assets in the subsidiaries not held by the Group and are presented separately in the consolidated statement of income, consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, separately from the equity holders of the parent.

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

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

29.4 Changes in Accounting Policies and Disclosures

29.4.1 New and amended standards adopted by the Group

The Group has applied the following amendment for the first time for its annual reporting period commencing 1 January 2025:

Lack of Exchangeability – Amendments to PAS 21;

On 15 August 2023, the IASB amended PAS 21 to add requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not. Prior to these amendments, PAS 21 set out the exchange rate to use when exchangeability is temporarily lacking, but not what to do when lack of exchangeability is not temporary.

Management assessed that the amendment above did not have any impact on the amounts recognized in prior periods and are not expected to significantly affect the current reported balances.

29.4.2 New standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the group. The group's assessment of the impact of these new standards and amendments is set out below:

Amendments to the Classification and Measurement of Financial Instruments – Amendments to PFRS 9 and PFRS 7 (effective for annual periods beginning on or after 1 January 2026)

On 30 May 2025, the IASB issued targeted amendments to PFRS 9 and PFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The adoption of the above amendment is not expected to have a material impact on the consolidated financial statements of the Group.

Contracts Referencing Nature-dependent Electricity – Amendments to PFRS 9 and PFRS 7 (effective for annual periods beginning on or after 1 January 2026)

On 18 December 2024, the IASB has issued targeted amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Nature-dependent electricity contracts help companies to secure their electricity supply from sources such as wind and solar power. The amount of electricity generated under these contracts can vary based on uncontrollable factors such as weather conditions. The amendments include:

- clarifying the application of the 'own-use' requirements;
- permitting hedge accounting if these contracts are used as hedging instruments; and

- adding new disclosure requirements to enable investors to understand the effect of these contracts on a company's financial performance and cash flows.

The adoption of the above amendment is not expected to have a material impact on the consolidated financial statements of the Group.

Annual Improvements to PFRS Accounting Standards – Volume 11 (effective for annual periods beginning on or after 1 January 2026)

On 18 July 2024, the IASB has issued narrow amendments to PFRS Accounting Standards and accompanying guidance as part of its regular maintenance of the Standards. These amendments include clarifications, simplifications, corrections and changes aimed at improving the consistency of several PFRS Accounting Standards. The amended Standards are:

- PFRS 1 First-time Adoption of International Financial Reporting Standards;
- PFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing PFRS 7;
- PFRS 9 Financial Instruments;
- PFRS 10 Consolidated Financial Statements; and
- PAS 7 Statement of Cash Flows.

The adoption of the above amendment is not expected to have a material impact on the consolidated financial statements of the Group.

PFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)

Issued in May 2025, PFRS 19 allows for certain eligible subsidiaries of parent entities that report under PFRS Accounting Standards to apply reduced disclosure requirements.

The adoption of the above amendment is not expected to have a material impact on the consolidated financial statements of the Group.

PFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

PFRS 18 will replace PAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of PFRS 18 will have no impact on the group's net profit, the group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:
 - Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) – net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.
 - PFRS 18 has specific requirements on the category in which derivative gains or losses are recognized – which is the same category as the income and expenses affected by the risk that the derivative is used to manage. Although the group currently recognizes some gains or losses in operating profit and others in finance costs, there might be a change to where these gains or losses are recognized, and the group is currently evaluating the need for change.

- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the group will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.
- The group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:
 - management-defined performance measures;
 - a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
 - for the first annual period of application of PFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying PFRS 18 and the amounts previously presented applying PAS 1.
- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Group will apply the new standard from its mandatory effective date of 1 January 2027. Retrospective application is required, and so the comparative information for the financial year ending 31 December 2026 will be restated in accordance with PFRS 18.

29.5 Financial Instruments

Financial assets

The Company classifies its financial assets in the following categories: (a) financial assets at amortized cost, (b) fair value through profit or loss and (c) fair value through other comprehensive income (OCI). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Company's financial assets at amortized cost category comprise of cash and cash equivalents (Note 2), receivables (Note 3) and amounts owned to related parties (Note 15) refundable deposits under other current assets (Note 7).

For financial asset at fair value through OCI, the Company had designated listed equity securities and quoted debt securities as not held for trading where management consider these investments to be strategic in nature (Note 5).

For financial asset at fair value through profit or loss (FVPL), the Company had designated equity investment as held for trading financial asset where management intended to hold them for the medium to long-term. The Company's financial asset at FVPL consist of investment in redeemable preferred shares and UITF (Note 6).

Impairment of financial assets

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

For trade receivables except real estate receivable, the Group applies a simplified approach in calculating ECLs. The Group does not track changes in credit risk, instead, recognizes a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Vintage approach accounts for expected credit losses by calculating the cumulative loss rates of a given real estate receivable pool. It derives the probability of default from the historical data of a homogenous portfolio that share the same origination period. The information on the number of defaults during fixed time intervals of the accounts is utilized to create the probability of default model.

It allows the evaluation of the loan activity from its origination period until the end of the contract period. In addition to primary drivers like macroeconomic indicators of qualitative factors such as, but not limited to, forward-looking data on inflation rate was added to the expected loss calculation to reach a forecast supported by both quantitative and qualitative data points.

The probability of default is applied to the estimate of the loss arising on default which is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including from the repossession of the subject real estate property, net of cash outflows. For purposes of calculating loss given default, accounts are segmented based on the type of facility. In calculating the recovery rates, the Group considered collections of cash and/or cash from resale of real estate properties after foreclosure, net of direct costs of obtaining and selling the real estate properties after the default event such as commission and refurbishment. As these are future cash flows, these are discounted back to the time of default using the appropriate effective interest rate, usually being the original effective interest rate (EIR) or an approximation thereof.

The Group considers a financial asset in default generally when contractual payments are 30 days past due for commercial leasing and 90 days past due for real estate and property development or when sales are cancelled supported by a notarized cancellation letter executed by the Group and customer. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group.

For other financial assets such as nontrade receivables, insurance receivables, amounts owed by related parties, refundable deposits and other receivables, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12—months (a 12—month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For cash and cash equivalents and short-term investments, the Group applies the low credit risk simplification. The Group uses the ratings from Standard and Poor's (S&P), Moody's and Fitch to determine whether the debt instrument has significantly increased in credit risk (i.e., no longer low credit risk). The probability of default and loss given defaults are publicly available and are used by the Group to estimate ECLs. It is the Group's policy to measure ECLs on such instruments on a 12- month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime ECL.

The Group's debt instruments at fair value through OCI comprise solely of government securities. The Group considers a debt investment security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'.

Financial liabilities

The Group classifies its financial liabilities in the following categories: (a) financial liabilities at fair value through profit or loss (FVPL); and (b) financial liabilities at amortized cost. Financial liabilities at fair value through profit or loss is composed of two sub-categories: financial liabilities classified as held for trading and financial liabilities designated by the Group as at fair value through profit or loss upon initial recognition.

Management determines the classification of its financial liabilities at initial recognition.

The Group has not designated any financial liability as at fair value through profit or loss.

The Group's financial liabilities at amortized cost consist of accounts payables and accrued expenses (Note 11), amounts owned to related parties (Note 15), long-term debt (Note 12), rental and other deposits (Note 13) and lease liabilities (Note 24).

29.6 Fair Value Measurement

The Group classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement. The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. 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. The quoted market price used is the current bid price. These instruments are included in Level 1.

29.7 Real Estate Held for Development and Sale

Real estate held for development and sale is carried at the lower of cost and NRV. NRV is the selling price in the ordinary course of business, less the costs of completion, marketing and distribution. Cost includes acquisition cost of the land plus development and improvement costs.

29.8 Investments in Joint Ventures

Investments in joint ventures are accounted under the equity method of accounting.

Under the equity method, the investments in the investee companies are carried in the consolidated statement of financial position at cost plus post-acquisition changes in the Group's share in the net assets of the investee companies, less any impairments in values. The consolidated statement of income reflects the share of the results of the operations of the investee companies. The Group's share of post-acquisition movements in the investee's equity reserves is recognized directly in equity. Profits and losses resulting from transactions between the Group and the investee companies are eliminated to the extent of the interest in the investee companies and for unrealized losses to the extent that there is no evidence of impairment of the asset transferred. Dividends received are treated as a reduction of the carrying value of the investment.

29.9 Investment Properties

Investment properties are stated at cost less accumulated depreciation and any accumulated impairment losses. Land is stated at cost less any impairment in value. Depreciation and amortization of investment properties are computed using the straight-line method over the estimated useful lives of the investment properties as follows:

	Useful life in years
Land improvements	30
Buildings and improvements	7-40
Machineries and equipment	9-25

Leasehold improvements are amortized on a straight-line basis over the estimated useful lives or the term of the lease, whichever is shorter.

29.10 Property and Equipment

Property and equipment are carried at cost, less accumulated depreciation, amortization and any impairment in value. Depreciation and amortization of property and equipment are calculated on a straight-line basis over the estimated useful life of the property and equipment as follows:

	Useful life in years
Leasehold improvements	3-5
Buildings	30
Machinery and equipment	5-10
Transportation equipment	5
Furniture, fixtures and equipment	3-5

Leasehold improvements are amortized on a straight-line basis over three (3) to five (5) years or the term of the lease, whichever is shorter.

29.11 Combinations of Entities Under Common Control

Combinations of entities under common control are accounted for using the pooling of interest method. The pooling of interest method is generally considered to involve the following:

- The assets and liabilities of the combining entities are reflected in the consolidated financial statements at their carrying amounts as at date of acquisition. No adjustments are made to reflect fair values, or recognize any new assets or liabilities, at the date of the combination. The only adjustments that are made are those adjustments to harmonize accounting policies.
- No new goodwill is recognized as a result of the combination. The only goodwill that is recognized is any existing goodwill relating to either of the combining entities. Any difference between the consideration paid or transferred and the equity acquired is reflected within equity.

29.12 Revenue Recognition

Revenue from Contract with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements, except for the provisioning of water, electricity, air- conditioning and common use service area in its mall retail spaces, wherein it is acting as agent.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 28.

(i) Real estate sales

The Group derives its real estate revenue from sale of industrial lots. Revenue from sale of industrial lots are recognized over time during the development period (or percentage of completion) since based on the terms and conditions of its contract with the customers, the Group's performance does not create an asset with an alternative use and the Group has an enforceable right to payment for performance completed to date.

In measuring the progress of its performance obligation over time, the Group uses the output method. The Group recognizes revenue based on direct measurements of the value to customers of the goods or services transferred to date, relative to the remaining goods or services promised under the contract. Progress is measured using survey of performance completed to date.

This is based on the monthly project accomplishment report prepared by the third-party surveyor as approved by the construction manager which integrates the surveys of performance to date of the construction activities for both sub-contracted and those that are fulfilled by the developer itself.

Contract costs include all direct materials and labor costs and those indirect costs related to contract performance. Expected losses on contracts are recognized immediately when it is probable that the total contract costs will exceed total contract revenue. Changes in contract performance, contract conditions and estimated profitability are recognized in the year in which the changes are determined.

(ii) Rental and Rent Concessions

Rental income arising from operating leases on investment properties is accounted for on a straight-line basis over the lease terms.

Rental concessions are treated as reductions to the rental income granted to lessees and accounted for as variable rent.

(iii) Cold Storage Revenue

The Group recognizes revenue from cold storage services over time using the output method as the customer receives and consumes the benefit from the performance of the related storage service. As a practical expedient allowed under PFRS 15, the Group recognizes revenue in the amount to which the Group has a right to invoice since the Group bills a fixed and variable amount every month.

(iv) Interest Income

For all financial instruments measured at amortized cost and interest-bearing financial assets classified as financial assets at FVOCI and AFS financial assets, interest income is recorded using the EIR, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

(v) Dividend Income

Dividend income is recognized when the Group's right to receive the payment is established.

29.13 Income Tax

Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulation is subject to interpretation and establishing provisions where appropriate on the basis of amounts to be paid to tax authorities.

Deferred tax

Deferred tax assets are recognized only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

29.14 Retirement Benefits Costs

The Group has a funded, non-contributory defined benefit retirement plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporates assumptions concerning the employees' projected salaries.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as retirement benefits costs under "Personnel expenses" in the consolidated statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as "Interest income (expense)" in the consolidated statement of income.

Remeasurements comprising actuarial gains and losses and any change in the effect of the asset ceiling (excluding net interest on defined benefit liability) are recognized immediately in OCI in the period in which they arise. Remeasurements are not reclassified to profit or loss in subsequent periods. Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Group, nor can they be paid directly to the Group. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations).

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

29.15 Leases (Group as a lessee)

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

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Company considers the factors below as the most relevant in assessing the options:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating a lease, if the lease term reflects the Company exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognized as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the Incremental Borrowing Rate (IBR) at the lease commencement date if the interest rate implicit in the lease is not readily determinable. To determine the incremental borrowing rate, the group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Group, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

AyalaLand Logistics Holdings Corp.

Index to the Supplementary Schedules

Annex A: Reconciliation of Retained Earnings Available for Dividend Declaration

Annex B: Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered

Annex C: Supplementary Schedules Required by Annex 68-J

- Schedule A. Financial Assets
- Schedule B. Amounts Receivable from Directors, Officers, Employees, Related Parties, and Principal Stockholders (Other than Related Parties)
- Schedule C. Amounts Receivable from Related Parties which are Eliminated During the Consolidation of Financial Statements
- Schedule D. Long-term Debt
- Schedule E. Indebtedness to Related Parties
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- Schedule G. Capital Stock

Schedule of Financial Soundness Indicators

Annex D: Schedule of External Auditor Fee- Related information

AyalaLand Logistics Holdings Corp.

Reconciliation of Retained Earnings Available for Dividend Declaration
For the year ended December 31, 2025

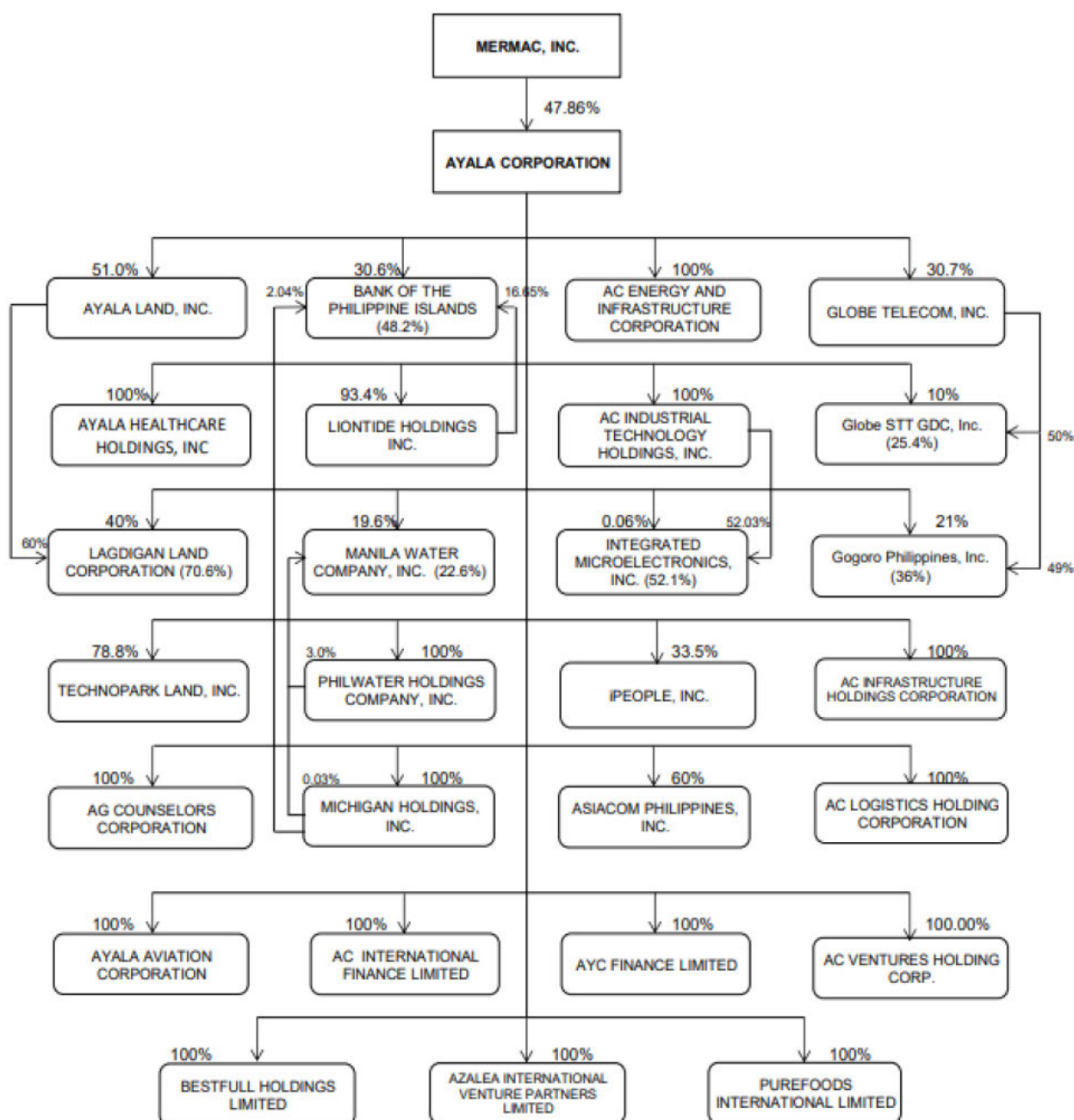
Unappropriated Retained Earnings, beginning of the year	946,906,068
Add: Category A: Items that are directly credited to Unappropriated retained earnings	
Reversal of Retained earnings appropriation/s	
Effect of restatements or prior-period adjustments	
Others (describe nature)	
<hr/>	
Less: Category B: Items that are directly debited to Unappropriated retained earnings	
Dividend declaration during the reporting period	
Retained earnings appropriated during the reporting period	
Effect of restatements or prior-period adjustments	
Others (describe nature)	
<hr/>	
Unappropriated Retained Earnings, as adjusted	828,318,279
Add/Less: Net Income for the current year	185,779,632
Less: Category C.1: Unrealized income recognized in the profit or loss during the year/period (net of tax)	
Equity in net income of associate/joint venture, net of dividends declared	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	
Unrealized fair value gain of investment property	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	

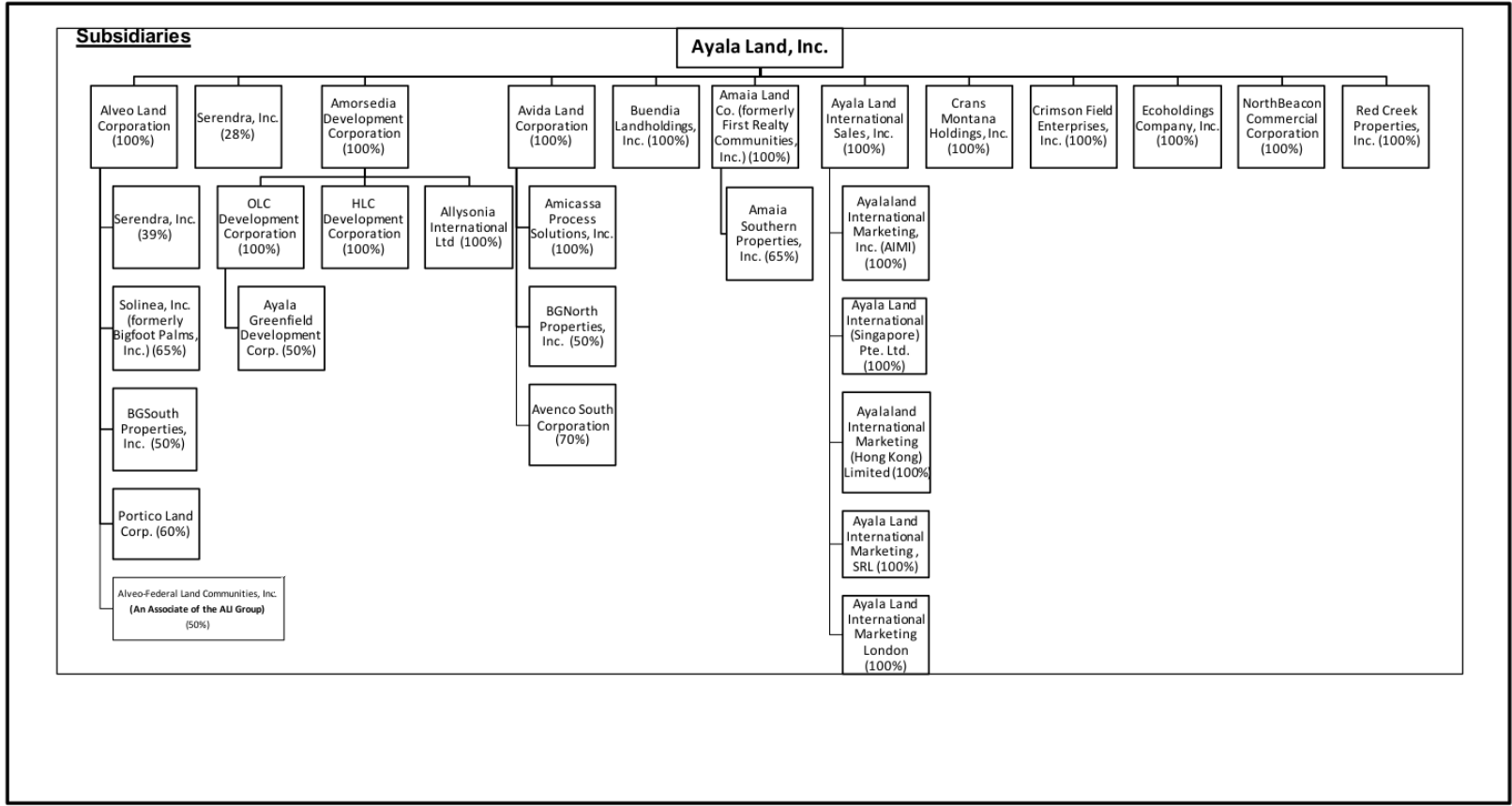
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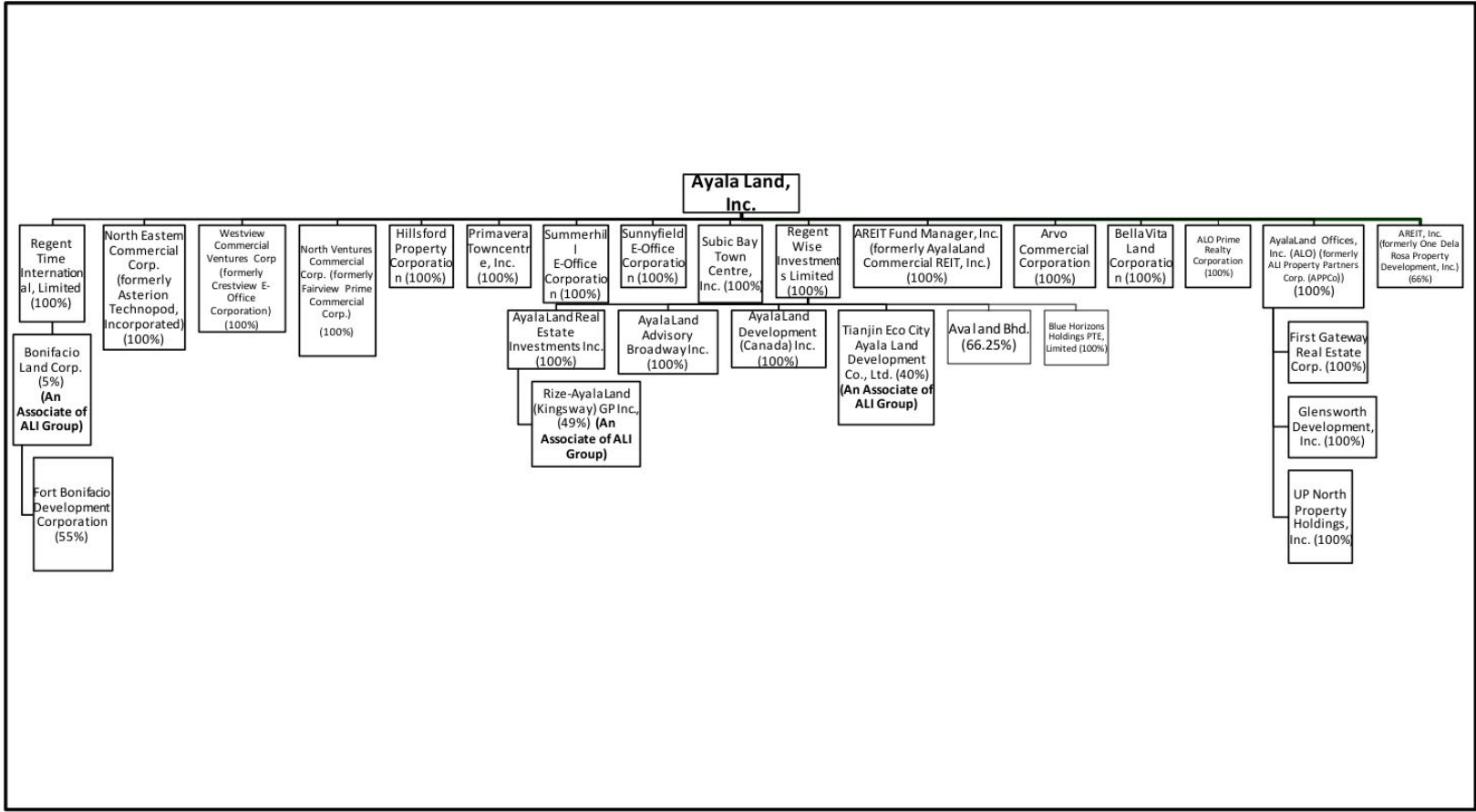
<p>Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)</p> <ul style="list-style-type: none"> Realized foreign exchange gain, except those attributable to Cash and cash equivalents Realized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL) Realized fair value gain of Investment property Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature) 	
<p>Add: Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)</p> <ul style="list-style-type: none"> Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL) Reversal of previously recorded fair value gain of investment property Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature) 	
Adjusted net income	1,014,097,911
<p>Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)</p> <ul style="list-style-type: none"> Depreciation on revaluation increment (after tax) 	
<p>Add/Less: Category E: Adjustments related to relief granted by the SEC and BSP</p> <ul style="list-style-type: none"> Amortization of the effect of reporting relief Total amount of reporting relief granted during the year Others (describe nature) 	
<p>Add/Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution</p> <ul style="list-style-type: none"> 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 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 (describe nature) 	
Total Retained Earnings, end of the year available for dividend declaration	1,014,097,911

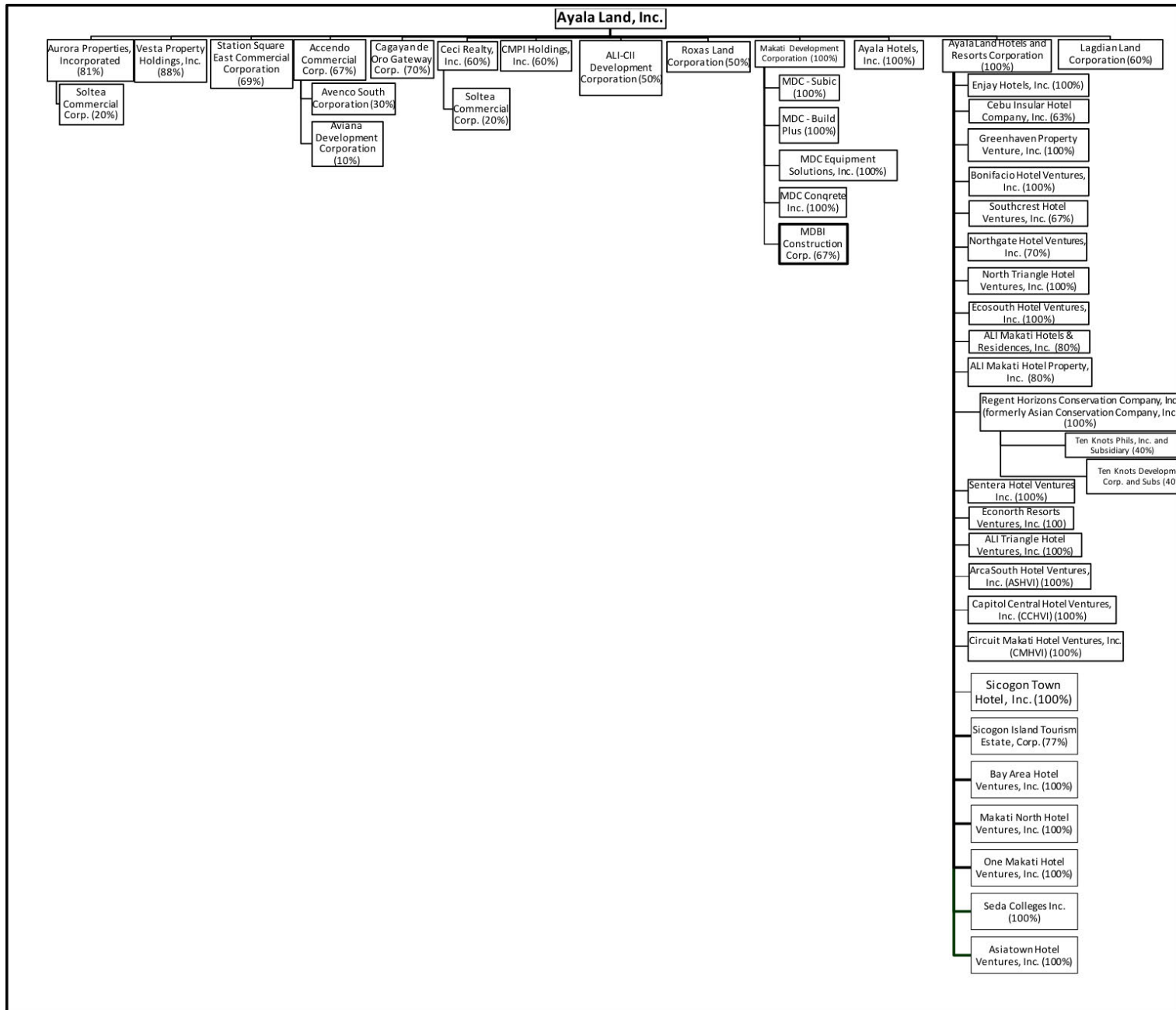
AyalaLand Logistics Holdings Corp.

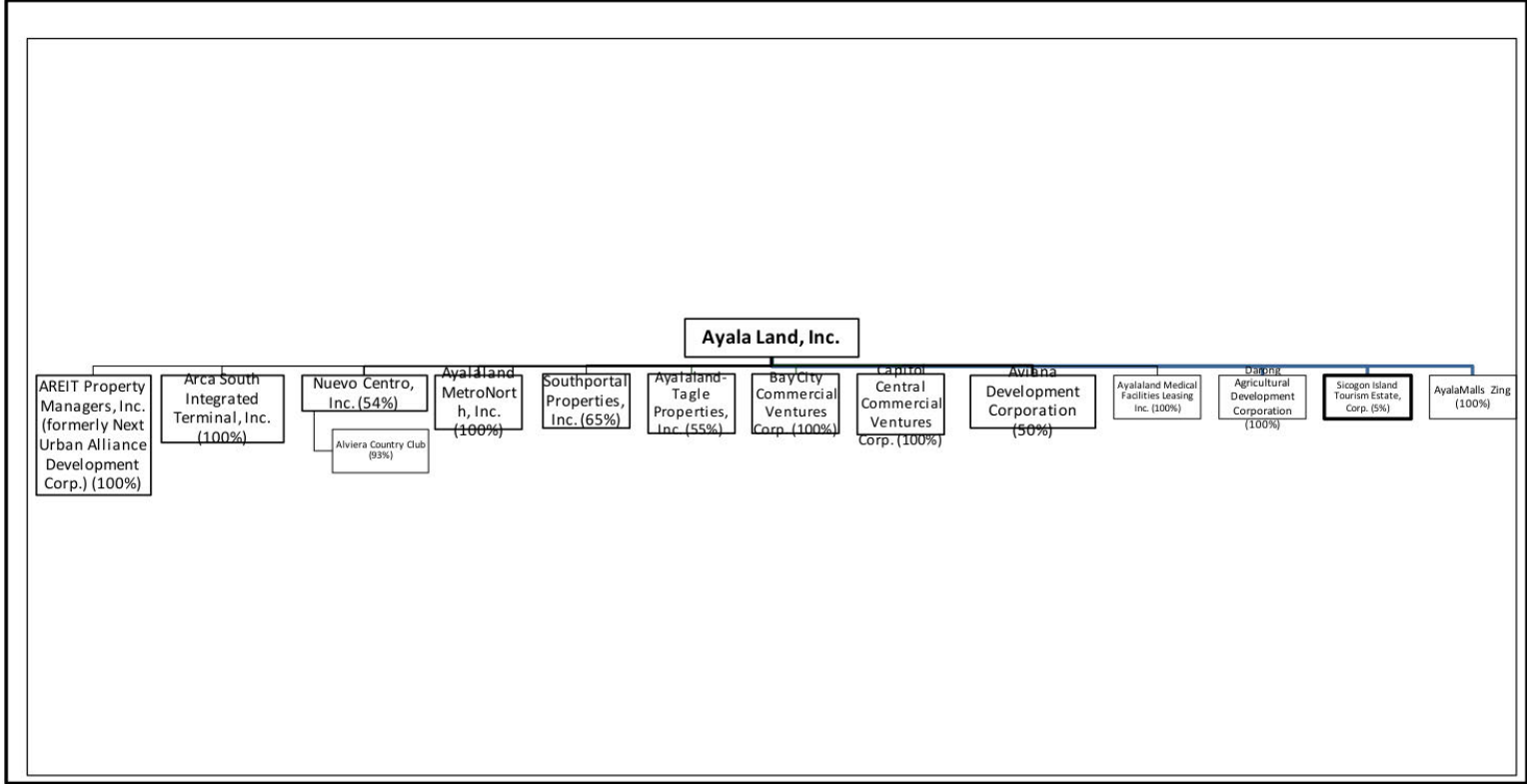
Map Showing the Relationships Between and Among the Company and its Ultimate Parent Company, Middle Parent, Subsidiaries or Co-subsidiaries, Associates, Wherever Located or Registered as at December 31, 2025





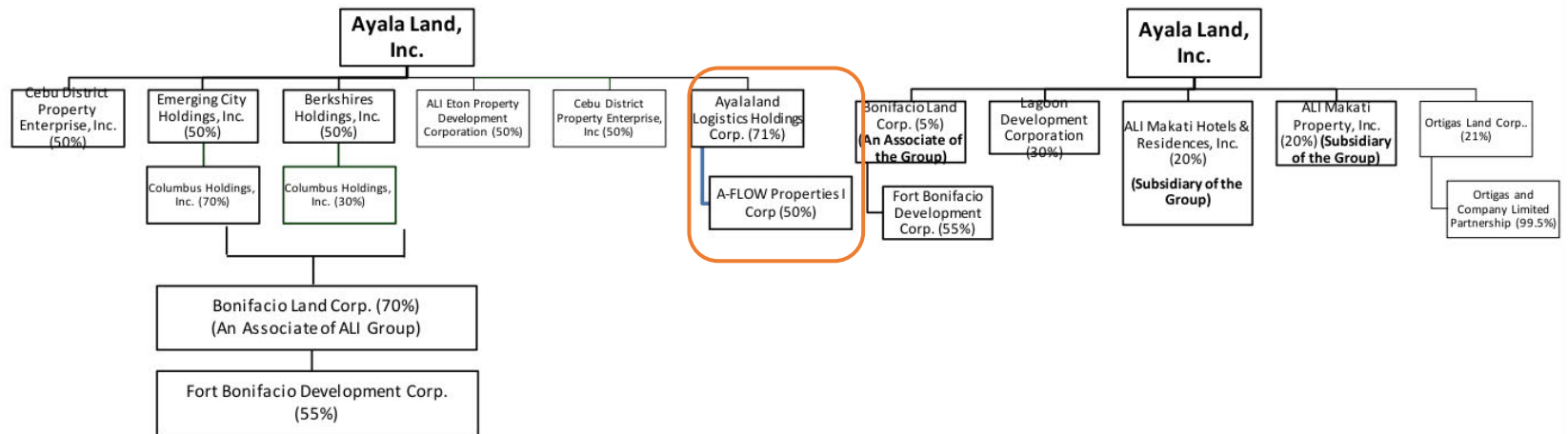






Direct Investments in Joint Ventures

Direct Investments in Associates



**Supplementary Schedules required by Annex 68-J
AyalaLand Logistics Holdings Corp. and Subsidiaries**

Schedule A - Financial Assets

As at December 31, 2025

Amounts In Thousands (Except For Number Of Shares)

Name of issuing entity and association of each issue	Number of shares or principal amount of bonds and notes	Amount shown in the statement of financial position	Income received and accrued
A. CASH IN BANK AND CASH EQUIVALENTS			
SAVINGS/CURRENT ACCOUNT (PESO)			
BDO Unibank, Inc.		11,408	-
Bank of the Philippine Islands		100,298	959
Development Bank of the Philippines		-	-
Metropolitan Bank and Trust Company		165	-
Rizal Commercial Banking Corp.		3,530	776
United Coconut Planters Bank		13,661	-
Sub-total		129,063	1,735
SAVINGS/CURRENT ACCOUNT (FCDU)			
Bank of the Philippine Islands		10,815	11
BDO Unibank, Inc.		51	-
		10,866	11
		139,929	1,746
B. SHORT TERM INVESTMENTS			
Bank of the Philippine Islands		14,639	175
		14,639	175
C. INVESTMENT IN BONDS AND OTHER SECURITIES			
<i>Available for sale investments:</i>			
<i>Listed and unlisted equity securities</i>			
Asia United Bank	50	2	-
Philippine Central Depository, Inc.	5,000	500	-
Sta. Elena Golf Club-A	3	63,000	-
Alviera Country Club (Class C)	1	950	-
Alabang Country Club	1	15,000	-
MERALCO	59,837	18,934	-
PLDT	419,688	4,220	-
	484,580	102,606	-
<i>Quoted and unquoted debt securities</i>			
Ayala Corporation	5,000	4,155	-
FIRST METRO 20-17	-	23,010	1,270
SECURITY BANK 20-13	-	1,353	30
BDO Unibank, Inc. UITF	13,000,000	13,826	-
	13,005,000	42,344	1,300
TOTAL INVESTMENTS IN BONDS & OTHER SECURITIES	13,489,580	144,950	1,300

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule B - Amounts Receivable from Directors, Officers, Employees,
Related Parties, and Principal Stockholders (Other than Related Parties)

As at December 31, 2025
Amounts In Thousands

Account Type	Balance at Beginning period	Deductions					Balance at End Period
		Additions	Amounts Collected	Amounts Written off	Current	Not Current	
Advances to employees for company expenses	2,001	2,054	905	-	2,268	882	3,150
Salary loan	115	-	7	-	108	-	108
Car loan	1,479	1,460	1,268	-	308	1,363	1,671
Others	1,904	-	319	-	-	1,585	1,585
	5,499	3,514	2,499	-	2,684	3,830	6,514

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule C - Amounts Receivable From Related Parties Which Are
Eliminated During The Consolidation Of Financial Statements

As at December 31, 2025
Amounts In Thousands

Name and Designation of Debtor	Balance at Beginning period	Additions	Amounts Collected	Accounts Written off*	Current	Not Current	Balance at end period
Orion I Holdings Philippines, Inc./Subsidiary	199,153	-	-	-	-	199,153	199,153
Lepanto Ceramics, Inc./Subsidiary	-	478,092	(242,038)	-	236,054	-	236,054
FLT Prime Insurance Corporation/Subsidiary	248	-	(248)	-	-	-	-
Tutuban Properties, Inc./Subsidiary	19,584	42,265	(37,777)	-	24,072	-	24,072
Unity Realty & Development Corporation/Subsidiary	16,416	30,443	(21,002)	-	25,857	-	25,857
Orion Land Inc./Subsidiary	27,200	30,623	(26,048)	-	31,775	-	31,775
Laguna Technopark, Inc./Subsidiary	42,105	79,229	(57,231)	-	64,103	-	64,103
A Flow Land I Corp/Subsidiary	82,776	-	-	-	82,776	-	82,776
	387,482	660,652	(384,344)	-	464,637	199,153	663,790

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule D - Long-Term Debt

As at December 31, 2025
Amounts In Thousands

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under the caption "Current Portion of long-term debt" in related balance sheet	Amount shown under the caption "Long-Term Debt" in related balance sheet
Term Loan	2,480,000	24,800	2,397,938

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule E - Indebtedness To Related Parties (Long Term Loans From Related Companies)

As at December 31, 2025
Amounts In Thousands

Name of Related Party	Balance at beginning of period	Balance at end of period
NOT APPLICABLE		

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule F - Guarantees of Securities of Other Issuers
As at December 31, 2025
Amounts In Thousands

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 owed by person for which statement is filed	Nature of guarantee
NOT APPLICABLE				

AyalaLand Logistics Holdings Corp. and Subsidiaries
Schedule G - Capital Stock
As at December 31, 2025

Title of Issue	Number of Shares authorized	Number of shares issued and outstanding as shown under related balance sheet caption	Number of shares reserved for options, warrants, conversion and other rights	Number of shares held by related parties	Number of shares held Directors, officers and employees	Number of shares held by Others
COMMON SHARES	7,500,000,000					
ISSUED		6,158,660,192		4,467,752,831	73,034,556	
SUBSCRIBED		142,931,795		49,444,216		
		6,301,591,987		4,517,197,047	73,034,556	

AYALALAND LOGISTICS HOLDINGS CORP. AND SUBSIDIARIES
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
December 31, 2025

Financial Ratios			
Pursuant to SRC Rule 68, As Amended			
	Formula	(One Year) 31-Dec-25	(One Year) 31-Dec-24
Return on assets	$\frac{\text{Net Income}}{\text{Average Assets}}$	0.01	0.02
Return on equity	$\frac{\text{Net Income}}{\text{Average Equity}}$	0.01	0.05
Gross profit margin	$\frac{\text{Gross profit}}{\text{Total Revenues}}$	0.38	0.34
Net profit margin	$\frac{\text{Net income}}{\text{Sales revenue}}$	0.06	0.14
Cost to income ratio	$\frac{\text{Cost and expenses}}{\text{Revenues}}$	0.72	0.72
Current ratio	$\frac{\text{Current Assets}}{\text{Current Liabilities}}$	0.91	1.15
Quick ratio	$\frac{\text{Current Assets less Inventory less Prepayments}}{\text{Current Liabilities}}$	0.43	0.56
Solvency ratio	$\frac{\text{After tax net profit(loss) + Depreciation}}{\text{Long Term Liabilities + Short Term Liabilities}}$	0.06	0.09
Asset to equity ratio	$\frac{\text{Total Assets}}{\text{Equity}}$	2.13	2.07
Debt to equity ratio	$\frac{\text{Total Liability}}{\text{Equity}}$	1.13	1.07
Interest rate coverage ratio	$\frac{\text{EBITDA}}{\text{Interest expense}}$	2.78	3.91
Price/Earnings Ratio	$\frac{\text{Price Per Share}}{\text{Earnings Per Common Share}}$	42.74	15.16

Annex D

AYALALAND LOGISTICS HOLDINGS CORP. AND SUBSIDIARIES
SCHEDULE OF EXTERNAL AUDITOR FEE-RELATED INFORMATION
December 31, 2025
All amounts in Philippine Peso

	2025	2024
Total audit fees	2,780,064	3,139,360
Total non-audit services fees	-	-
Total audit and non-audit fees	2,780,064	3,139,360

Note: This schedule shows the fees of the Company's external auditor - Isla Lipana & Co.



**Sustainability Report
2025**

ESG Approach

AyalaLand Logistics Holdings Corp. (ALLHC) remains steadfast in its mission to transform landscapes into high-impact, resilient industrial environments. By embedding sustainability practices into the core of developments, we strengthen the nation's economic backbone and ensure long-term supply chain resilience for the communities we serve. This approach is the foundation of our commitment to generating shared economic, environmental, and social value.

Materiality Review and Sustainability Four Focus Areas

To monitor the economic, environmental, and social impacts of its developments, ALLHC adopts Ayala Land's ESG approach, integrating sustainability into operations across four key focus areas:

Site Resilience and Risk Management, Net Zero and Climate Action, Resource Efficiency and Circularity, and Social and Community Impacts.

Site Resilience and Risk Management aims to minimize communities' vulnerability to climate change and natural disasters thru climate adaptation, risk reduction and preparedness, while Net Zero and Climate Action focuses on decarbonization, adoption of renewable energy solutions and emissions reductions of operations.

Resource Efficiency and Circularity address the ongoing depletion of natural resources by optimization of resource use in energy, water and materials and circular approach to waste management, and Social and Community Impacts seeks to reduce socio-economic inequalities.

Identified in the Double Materiality Assessment conducted in 2024, Ayala Land continues to refine its strategic priorities to address ESG risks and opportunities. It is responsible for driving sustainability across all its subsidiaries, including ALLHC, serving as a guide in project development and business operations while managing and mitigating possible risks.

Four Focus Areas and the UN Sustainable Development Goals

With the establishment of the United Nations Sustainable Development Goals (SDGs) in 2015, ALLHC aligned each focus area with the relevant SDGs.

Site Resilience and Risk Management

ALLHC acknowledges the potential risks posed by climate change, including extreme weather events and rising sea levels. To enhance site resilience and emergency preparedness, we take several measures such as conducting site evaluations and technical due diligence to assess geohazards. We also practice disaster-readiness exercises, incorporate spaces for refuge and rainwater absorption through open and green areas, and use native trees in landscaping to support biodiversity.

Net Zero and Climate Action

ALLHC properties integrate climate adaptation to its designs, developments and operations to strengthen its commitment to decarbonization. We promote renewable energy solutions and emission reduction through our strategic operational efficiencies.

Resource Efficiency and Circularity

ALLHC is committed to supporting Ayala Land’s goal of achieving carbon neutrality for all its properties by 2030, and the Ayala Group’s net zero emissions target by 2050. We strictly monitor the responsible use of resources, such as energy and water, and ensure the proper handling of waste in its properties. Conservation programs and management schemes are in place and undergo regular audits.

Social and Community Impacts

ALLHC’s industrial and commercial properties generate employment and business opportunities. Through our properties, we help spur economic activity, contribute to nation-building, and create value for local communities.

ALLHC’s Material Topics

To measure and report the company’s performance and impact on local and global development, ALLHC uses identified UN Sustainable Development Goals (SDGs) and topics from Global Reporting Initiative (GRI) and Sustainability Accounting Standards Board (SASB) that correspond to Ayala Land’s four focus areas and other material topics.

	Sustainability Four Focus Areas				Other Material Topics	
	Site Resilience and Risk Management	Net Zero and Climate Action	Resource Efficiency and Circularity	Social and Community Impacts	Corporate Governance and Risk Management	Labor Practices and Decent Employment
GRI	303: Water and Effluents 307: Environmental Compliance	302: Energy 305: Emissions	204: Procurement Practices 302: Energy 303: Water and Effluents 305: Emissions 306: Waste 308: Supplier Environmental Assessment	202: Market Presence 203: Indirect Economic Impacts 401: Employment 404: Training and Education 413: Local Communities	201: Economic Performance 205: Anti-Corruption 206: Anti-Competitive Behavior 418: Customer Privacy	402: Labor Management Relations 403: Occupational Health and Safety 405: Diversity and Equal Opportunity 406: Non-Discrimination 408: Child Labor 409: Forced Labor 412: Human Rights Assessment
SASB	IF-RE-450: Climate Change Adaptation		IF-RE-130: Energy Management		IF-RE-450: Climate Change Adaptation	

			IF-RE-140: Water Management IF-RE-410: Management of Tenant Sustainability Impacts IF-RE-450: Climate Change Adaptation			
UN SDGs	13: Climate Action 15: Life on Land	7: Affordable and Clean Energy 12: Responsible Consumption and Production 13: Climate Action	6: Clean Water and Sanitation 12: Responsible Consumption and Production	1: No Poverty 8: Decent Work and Economic Growth 10: Reduced Inequalities		8: Decent Work and Economic Growth

Stakeholder Engagement

At ALLHC, we believe that energizing business environments is a collaborative effort. We actively engage with our stakeholders through multiple channels, valuing their contributions and feedback to build strong relationships and generate sustainable, shared value.

Stakeholder	Issues and Concerns of Stakeholders	Engagement Means and Initiatives
Property Buyers and Tenants, Tenant Employees, and Shoppers	<ul style="list-style-type: none"> Customer health, welfare, and safety Customer service and experience Delivery of quality products and services Facilities management Management of environmental and social impacts 	<ul style="list-style-type: none"> Customer satisfaction surveys E-newsletters and e-brochures ALLHC website and social media platforms
Brokers and Sellers	<ul style="list-style-type: none"> Occupational health, welfare, and safety Training and career development Compensation and rewards Labor practices and human rights 	<ul style="list-style-type: none"> Training sessions General assemblies and briefings Awards and recognition events
Employees and Workers	<ul style="list-style-type: none"> Occupational health, welfare, and safety Training and career development Compensation and rewards Labor practices and human rights 	<ul style="list-style-type: none"> Access to healthcare services Townhalls, monthly or quarterly updates Organizational climate surveys Grievance mechanisms and channels

		<ul style="list-style-type: none"> • Performance reviews • Training and learning sessions; blended learning modalities • Employee engagement activities
Business Partners, Suppliers, and Service Providers	<ul style="list-style-type: none"> • Compliance with all laws, regulations, codes, and standards • Productivity and timely delivery of products and services • Occupational and customer health, welfare, and safety • Labor practices and human rights • Procurement practices • Management of environmental and social impacts 	<ul style="list-style-type: none"> • Training sessions • One-on-one meetings • Policies and memos • Vendor's Code of Ethics • Third-party vendor accreditation process • Business Integrity Program (BIP) channels
Creditors	<ul style="list-style-type: none"> • Financial and operating performance • Debt servicing capacity 	<ul style="list-style-type: none"> • Financial sustainability and capital management strategies • Regular engagement with partner banks and investors
Shareholders and Analysts	<ul style="list-style-type: none"> • Financial and operating performance • Debt servicing capacity • Recovery and growth plans 	<ul style="list-style-type: none"> • Financial sustainability, capital management strategies, and recovery and growth initiatives • Regular engagement with investors through one-on-one meetings and investor conferences • SEC and PSE filings and disclosures
Communities and NGOs	<ul style="list-style-type: none"> • Local economic development • Management of environmental and social impacts • Concerns of communities pertaining to development of projects 	<ul style="list-style-type: none"> • Conferences and meetings • Community consultations • Partnerships in national and local projects, programs, and initiatives • Dialogues and meetings with leaders at the barangay, local government, and national agency levels
National and Local Government	<ul style="list-style-type: none"> • Compliance with all laws, regulations, codes, and standards • Economic development • Management of environmental and social impacts • Concerns of communities pertaining to development of projects • Support to the government projects and activities 	<ul style="list-style-type: none"> • Conferences and meetings • Participation in government consultations • Partnerships in local and national projects, programs, and initiatives • Dialogues and meetings with leaders at the barangay, local government, and national agency levels

Media	<ul style="list-style-type: none">• Timely and accurate news• Transparency	<ul style="list-style-type: none">• News releases• Through third-party consultants• Annual reports• ALLHC website and social media platforms
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Environmental Stewardship

ALLHC aligns with Ayala Land's sustainability principles, focusing on enhancing the resilience of its properties and mitigating climate change risks. By prioritizing site resilience, pedestrian mobility, and transit connectivity, we foster the development of sustainable industrial and commercial properties. Our commitment to resource efficiency ensures the responsible use of resources, benefiting communities for the long term.

Site Resilience and Risk Management <GRI 304; SDG 11, 13, 15>

We conduct comprehensive technical due diligence prior to land acquisition to assess potential geohazards and climate change impacts. In the planning phase, we integrate green spaces for rainwater absorption and utilize native trees in our landscaping—particularly in emerging industrial estates—to support local diversity.

Pedestrian Mobility and Transit Connectivity <GRI 203; SDG 3, 9, 11>

The pedestrian and commuter experience are key considerations for ALLHC when developing properties. Pedestrian walkways and sidewalks are available, and multiple transport modes such as jeepneys, taxis, UV express shuttles, point-to-point (P2P) buses, and commuter railway are accessible from ALLHC's sites for commuters.

Resource Efficiency

ALLHC implements measures to promote the efficient use of energy and water, along with proper waste management, across its properties to help reduce their carbon footprint.

Energy Management <GRI 302; SASB IF-RE-130, IF-RE-410; SDG 7, 12>

Total energy consumption from electricity and fuel increased by 23%, reaching 41.4 million kWh compared to the previous year at 33.8 million kWh. The increase in consumption is primarily due to the addition of new cold storage facilities, a higher overall occupancy rate, and increased business activities compared to last year.

To assess energy efficiency over time, electricity intensity in both common and tenant areas is measured in kWh consumption per square meter (sqm) of occupied floor area or occupied pallet position (pp). In 2025, electricity intensity in common areas of commercial centers decreased by 39% due to repairs of equipment and conversion of mall parking to night market, while the tenant areas' intensity increased by 5% primarily due to utilized area conversion and a higher occupancy rate compared to last year. Tenant area intensities for warehouses and cold storage were 16.09 kWh/sqm and 593.59 kWh/pp, respectively. There is a 24% reduction in the leased area intensity of warehouses due to a higher GLA and lower consumption, and a 61% reduction in common area intensity due to the reduction in construction works from the previous year. However, the intensity increased in cold storage compared to the previous year driven by new facilities launched this year and higher cold storage utilization.

Energy Consumption (kWh)	2021	2022	2023	2024	2025
Within the Organization	6,994,408	9,168,540	9,484,150	10,730,565	15,606,121
Electricity (Common Area)	219,431	248,592	299,821	1,064,225	145,441
Fuel					
Outside the Organization	14,844,693	20,624,340	20,002,587	22,000,049	25,650,000
Electricity (Leased Area)					
Total	22,058,532	30,041,472	29,786,558	33,794,839	41,401,562

Electricity Intensity	Unit	2021	2022	2023	2024	2025
Malls & Offices						
Whole Building	kWh/sqm GFA	111.18	134.90	125.88	138.31	123.54
Common Area	kWh/sqm GCA	70.45	92.94	87.53	94.75	57.74
Leased Area	kWh/sqm GLA	163.52	188.04	174.61	193.34	203.11
Warehouses						
Common Area	kWh/sqm GCA	-	-	36.18	47.37	18.66
Leased Area	kWh/sqm GLA	-	-	22.04	21.27	16.09
Cold Storage						
Leased Area	kWh/pp	-	-	404.41	502.10	593.59

Legend: GFA – Gross Floor Area; GCA – Gross Common Area; GLA – Gross Leasable Area

Notes: To take into account significant changes in the occupancy rate in light of the pandemic, intensity has been measured as kWh consumption per square meter (sqm) of relevant area or pallet position (pp) multiplied by occupancy rate. Monitoring of intensities for warehouses and cold storage commenced only in 2023. For warehouses and cold storage, intensity for leased areas covers only facilities where ALLHC has visibility on tenant consumption. 2024 warehouse leased area electricity intensity restated.

Water Management <GRI 303; SASB IF-RE-140, IF-RE-410; SDG 6,12 >

Although the business activities increased in 2025, it still led to a 1% reduction in total water consumption across properties. Consumption in common areas increased by 23%, totaling 248,928 cubic meters, while water usage in leased areas decreased by 18%, reaching 216,423 cubic meters.

In terms of water intensity, measured as cubic meters consumed per square meter of occupied floor area, the overall building intensity for commercial centers decreased by 6% driven by a higher occupancy rate compared to the previous year. Tenant area intensities for warehouses and cold storage were 0.34 m³/sqm and 1.85 m³/pp, respectively. The reduction in warehouse water intensity was attributed to the change in demand requirement due to the change in the use of the facility. The increase in cold storage intensity is due to the newly acquired facilities and longer operating hours in Artico Biñan 1.

Water Consumption (m ³)	2021	2022	2023	2024	2025
Within the Organization (Common Area)	106,495	150,182	210,449	202,954	248,928
Outside the Organization (Leased Area)	137,192	225,027	226,637	265,104	216,423
Total	243,687	375,209	437,086	468,058	465,351

Water Intensity	Unit	2021	2022	2023	2024	2025
Malls & Offices						
Whole Building	m ³ /sqm GFA	1.20	1.62	1.62	1.58	1.48
Common Area	m ³ /sqm GCA	1.13	1.62	1.66	1.54	1.03
Leased Area	m ³ /sqm GLA	1.30	1.61	1.58	1.63	1.76
Warehouses						
Common Area	m ³ /sqm GCA	-	-	1.72	1.71	1.82
Leased Area	m ³ /sqm GLA	-	-	0.54	0.53	0.34
Cold Storage						
Leased Area	m ³ /pp	-	-	0.79	1.19	1.85

Legend: GFA – Gross Floor Area; GCA – Gross Common Area; GLA – Gross Leasable Area

Notes: To consider significant changes in the occupancy rate in light of the pandemic, intensity has been measured as cubic meter consumption per square meter (sqm) of relevant area or pallet position (pp) multiplied by occupancy rate. Monitoring of intensities for warehouses and cold storage commenced only in 2023. For warehouses and cold storage, intensity for leased areas covers only facilities where ALLHC has visibility on tenant consumption.

Green Certification

To validate our commitment to resource efficiency of our properties, Artico Biñan 1 and Artico Santo Tomas received EDGE Advanced Certification from the International Finance Corporation (IFC). This World Bank-backed standard recognizes designs that significantly optimize energy and water use while reducing embodied carbon in materials.

Property Name	PPA	Type of Certification	Date Certified	Energy Savings	Water Savings	Embodied Carbon in Materials
Artico Biñan 1	4,775	EDGE Advanced	August 2025	55%	26%	96%
ALogis Santo Tomas	5,136	EDGE Advanced	December 2025	52%	48%	41%

Net Zero

ALLHC supports Ayala Land's goal of achieving carbon neutrality across all its properties by 2030 and Ayala Corporation's target of reaching net zero by 2050. As we expand our industrial footprint, we are modernizing our energy procurement to ensure that our facilities are powered by sustainable sources. Our strategy prioritizes the aggressive transition of our growing logistics and industrial portfolio from conventional grid power to renewable energy (RE) solutions.

Renewable Energy

The shift toward renewable energy is a cornerstone of our operational efficiency. While our commercial properties have already transitioned to RE, we are progressively migrating our industrial and logistics assets.

A significant milestone in 2025 was the transition of Artico Mandaue to the Green Energy Option Program (GEOP), allowing the facility to source 100% of its electricity from renewable sources. By implementing this transition, we aim to enhance the sustainability of our operations and reduce our carbon footprint.

The expansion of our facilities network, specifically the addition of Artico Mabalacat, Urdaneta, and Iloilo, has temporarily shifted our energy profile as these assets currently utilize non-renewable energy. Consequently, the share of non-renewable energy increased by 11% year-on-year. Conversely, fuel consumption decreased by 3.5% compared with the previous year, which experienced increased generator use due to a power interruption.

Energy Mix	2021	2022	2023	2024	2025
Electricity (Renewable)	86%	81%	90%	90%	83%
Electricity (Non-renewable)	13%	18%	9%	6%	17%
Fuel	1%	1%	1%	4%	0.4%

Fleet Decarbonization

Decarbonizing our operations extends to our mobility. Since 2024, ALLHC has been transitioning its corporate fleet to electric and hybrid alternatives. As of early 2026, the company has deployed four BYD hybrid vehicles, a strategic move to reduce Scope 1 emissions and mitigate long-term fuel costs.

Emissions

ALLHC's rapid scaling of our cold storage and industrial portfolio has significantly influenced our emissions profile. While the acquisition of three new properties operating on non-renewable energy led to a 190% increase in total net emissions, our core operations demonstrate the effectiveness of our decarbonization strategies. Excluding these new acquisitions, ALLHC achieved an 8% reduction in total net emissions across its portfolio.

- Scope 1: 81% increase driven by increased business activity and a one-time refrigerant refill at Artico Biñan 1.
- Scope 2: 1,111% increase reflecting the addition of three facilities, which currently utilize non-renewable power and ammonia refrigeration systems.

- Scope 3: 11% decrease from the successful implementation of water conservation and waste reduction initiatives across all managed properties.

Net Emissions (t-CO2e)	2021	2022	2023	2024	2025
Scope 1	55	62	75	271	489
Scope 2	225	745	588	382	4,627
Scope 3	1,970	3,467	1,399	1,610	1,441
Total	2,250	4,274	2,062	2,263	6,557

Notes: Scope 2 emissions declared are market-based. For properties that shifted to purchasing electricity from renewable energy power plants, Scope 2 emissions were zeroed out from the date of shifting. Scope 3 emissions factored in are from tenants' electricity consumption only.

Net Emissions (t-CO2e)	2024	2025
Scope 1	271	474
Scope 2	382	376
Scope 3	1,610	1,230
Total	2,263	2,080*

**Excluding Artico Mabalacat, Urdaneta, and Iloilo*

Circular Economy

Solid Waste

ALLHC has adopted a circular waste management model in alignment with Ayala Land's practices to minimize waste sent to landfills. The company segregates waste at the property level and regularly reviews its waste profile.

In 2025, total waste generated across our properties decreased by 6% from 421,249 kilograms to 394,619 kilograms. We successfully diverted a total of 171,419 kilograms (43%) from landfills through a mix of recycling and organic waste processing:

- **Recycling:** 143,296 kg (36% of total waste) diverted to accredited recyclers.
- **Organics:** 28,123 kg (7% of total waste) processed via food waste digesters.

Beyond operations, our "Clean and Dry Plastics" initiative saw employees collect 3,725 kilograms, exceeding our target by 248%. Additionally, our community-facing Recyclable Fairs in Tutuban and South Park Center, recovered 7,038 kilograms of recyclables and 390 kilograms of e-waste.

We are enhancing the sustainability of our supply chain by integrating recycled materials into our operations. In 2025, our cold storage facilities utilized 3,366 recycled plastic pallets, effectively diverting 87,516 kg of plastic from landfills.

Furthermore, we are lowering the embodied carbon of our infrastructure. In 2025, low-carbon steel, which requires significantly less energy to produce, was utilized in five major development projects: ALogis Mabalacat 1 & 2, *Bagsakan* Market, Artico Mabalacat, and Artico Santo Tomas.

Solid Waste Generation and Diversion	2021	2022	2023	2024	2025
Total Waste Generation (kg)	392,795	402,146	439,167	421,249	394,619
Sent to Landfill					
Food	165,571(42%)	134,535 (33%)	171,406 (39%)	159,862 (38%)	84,373 (21%)
Residual	50,634 (13%)	98,265 (25%)	89,985 (20%)	88,930 (21%)	138,827 (35%)
Diverted from Landfill					
Recyclers / Food Digester	176,590 (45%)	169,346 (42%)	177,776 (41%)	172,457 (41%)	171,419 (43%)

Note: Locator tenants in our industrial properties are responsible for their own proper waste disposal.

Social Engagement

To fulfill our mission of creating environments that energize and support businesses, ALLHC actively engages with its various stakeholders. By generating opportunities for employment, upskilling and reskilling our workforce, and focusing on the health and safety of our stakeholders, we play a pivotal role in local economic resilience and nation-building.

Contribution to Local Economic Development <GRI 401, 402; SDG 1, 8, 10>

Our industrial estates, logistics hubs, and commercial properties act as catalysts for growth. As of year-end 2025, the ALLHC Group supported a total headcount of 923 individuals, a significant increase that tracks with the expansion of our cold storage and warehouse portfolio.

Employment and Job Creation

As of the end of 2025, the ALLHC group had a total headcount of 923 direct employees and support staff, comprising 122 direct employees and 801 support staff for property management, including security, technical maintenance, and housekeeping.

Employment Summary	2021	2022	2023	2024	2025
Direct Employees	53	63	71	83	122*
Support Staff	566	606	642	737	801
Total	619	669	713	820	923

**ALLHC organic employees only (excluding ALLI seconded employees)*

Employee Profile

Our team reflects a balanced and maturing professional landscape. In 2025, our direct workforce was comprised of 54% female and 46% male professionals. While we value the energy of our younger cohorts (28% under 30 years old), 72% of our team is aged 30 and above, providing a stable base of experience to support our operations.

Direct Employees by Gender	
Male	56
Female	66
Total	122

Headcount by Gender			
	Total	Male	Female
Corporate	19	6	13
Industrial Parks and Real Estate Logistics	81	39	42
Commercial Leasing	22	11	11
Total	122	56	66
Percentage	100%	48%	52%

Compliance with the Labor Code Notice Period Requirement

ALLHC strictly adheres to the Labor Code of the Philippines. We remain in full compliance with mandatory notice periods for major operational changes and all local government regulations across our project sites. This commitment to fair labor practices ensures a stable and predictable environment for our workforce as we scale our national operations.

Health and Safety <GRI 403; SDG 8>

Safety is the cornerstone of our day-to-day operations. We prioritize the creation of secure working conditions through a rigorous management framework. Each of our properties is overseen by dedicated on-site property managers who execute comprehensive preventive maintenance programs and technical audits.

Emergency Preparedness

Each site has a comprehensive emergency preparedness and response plan that Resilience is built through preparation. Every ALLHC site operates under a comprehensive emergency preparedness and response plan that includes regular drills for emergencies like fires, earthquakes, and other identified situations.

In 2025, we intensified our readiness through 382 emergency response team drills across all managed properties. Our protocol mandates immediate root-cause investigation for any incident to prevent recurrence, with findings reported directly to senior leadership for continuous monitoring. As of year-end 2025, no major safety incidents were recorded across ALLHC's portfolio.

Employee Wellness

We recognize that the health of our workforce is a critical asset. ALLHC provides a holistic wellness program that includes annual physical examinations for employees, along with health insurance for both employees and their eligible family members. This ensures that our team remains fit to drive our strategic growth and development.

Training and Development <GRI 404; SDG 1, 8>

ALLHC believes in providing its employees with professional growth opportunities for career development. As we continue to scale, upskilling remains a top priority. In 2025, ALLHC invested in 4,321 of formal training hours, averaging 36 hours per employee.

Employees participated in training sessions covering a variety of topics, including professional effectiveness and leadership, digitalization and technology, marketing and communications, management, ethics, sustainability, corporate governance, and personal mental health and well-being. In addition to webinars and on-site training, employees were provided access to self-paced learning via online platforms such as LinkedIn Learning. This ensures our workforce remains agile and capable of supporting our operations efficiently.

Employee Training Hours		
	Total	Average
Men	2,124	38
Women	2,197	33
Total	4,321	36

Stakeholder Relations

At ALLHC, we view our relationship with property buyers, tenants, and shoppers as a partnership. By addressing stakeholder needs through active, technical engagement, we ensure our industrial and commercial hubs remain the preferred choice for businesses seeking long-term stability and growth.

Property Buyers and Tenants, and Shoppers

Recognizing that customers are fundamental to its success, ALLHC is committed to delivering quality and reliable products and services that meet customer expectations. The company fosters strong customer relationships through a dedicated focus on their needs and consistently strives to provide exceptional service.

The sales and leasing teams serve as the primary contact point for industrial lot buyers, warehouse lessees, and mall and office tenants. After a property is acquired or leased, our engineering and operations teams lead the transition, providing rigorous post-turnover support to ensure readiness.

To ensure seamless operations, ALLHC fosters close collaboration with its tenants. Facilities engineers hold regular meetings with warehouse tenants to proactively address technical issues, while building engineers coordinate with mall and office tenants. Furthermore, operations teams conduct meetings with all tenants as needed to resolve operational concerns and discuss expansion plans, ensuring smooth businesses operations.

ALLHC prioritizes keeping its industrial lot buyers, warehouse lessees, and mall and office tenants well-informed about key property developments. The company distributes advisory notices, including memos, e-brochures, and e-newsletters. Broader news and announcements are shared with the public through its social media channels and corporate website.

We validate our performance and gather stakeholder feedback through annual third-party customer satisfaction (CSAT) surveys. These metrics allow us to benchmark our performance and identify improvement opportunities across our portfolio.

Business Segment	2025 CSAT Score	Key Performance Drivers
Artico Cold Chain	97%	High marks for loading/unloading efficiency, security protocols, and billing accuracy.
ALogis	75%	Positive feedback on property management professionalism, security courtesy, and account flexibility.

Tutuban Center	2.8 / 4.0	Commended for helpful security, housekeeping efficiency, and accessible administration
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Employees and Workers <GRI 401, 407; SDG 8>

ALLHC’s strategic growth is powered by a team of dedicated and hardworking professionals who embody our commitment to excellence. We prioritize a high-performance culture underpinned by robust capacity-building programs, uncompromising ethical standards, and a deep focus on employee well-being.

We maintain transparent and agile communication channels to ensure alignment across all levels of the organization. Through regular town halls, individual performance reviews, "Monthly Connect" sessions, we foster a culture of continuous feedback.

Our commitment to this dialogue is reflected in the latest biennial employee engagement survey (2025), where the ALLHC Group achieved a score of 88% with 100% direct employee participation. Key strengths identified include a high degree of collaboration, opportunities for personal and professional development, mentorship, and team-priority setting as among the company’s strengths.

Compensation and Rewards <GRI 401, SDG 8>

ALLHC provides compensation and benefits mandated by national labor laws and aligned with its performance incentive program. The company rejects any form of forced and compulsory labor.

All regular employees receive life insurance, health coverage for both in-patient and out-patient care, medical allowances, and retirement benefits. Additionally, ALLHC offers variable pay, including performance-based cash bonuses tied to individual key goals set at the start of the year.

Employee Leaves

The company implements government-mandated leaves on paternity, maternity, and solo parents, ensuring that all employees are entitled to parental leave.

Diversity and Equal Opportunity <GRI 401, 405; SDG 10>

ALLHC recognizes the importance of diversity and equal opportunity in the workplace, with women accounting for 52% of the company’s employees.

Ethical Behavior <GRI 205, 402, 409; SDG 8>

Ethical conduct and integrity are the foundation of our operations. ALLHC maintains strict zero-tolerance policy towards corruption, fraud, bribery, or any unethical behavior. Our Code of Ethics serves as the standard for all interactions, mandating the highest levels of respect and professionalism.

Whistleblowing

We provide secure and accessible channels for customers, employees, and the public to report misconduct. These include a customer service hotline, feedback

form on the company's website, email, and designated personnel handling such grievances.

Our Whistleblowing Policy ensures that any awareness of wrongdoing or misconduct, whether involving employees or business partners, can be reported without fear of retaliation. In 2025, no major incidents of illegal or unethical behavior were reported.

SEC Memorandum Circular No. 2003-13 defines an incident or unethical behavior as significant if it reduces the company's consolidated total assets by at least 5%.

Non-Discrimination <GRI 406>

The company does not tolerate discrimination based on race, gender, age, and religious affiliation. Employees and stakeholders are encouraged to report any discriminatory practice to Human Resources. In 2025, there were no reports of any acts of discrimination.

Business Partners, Suppliers, and Service Providers <GRI 204, 205, 308>

ALLHC respects the rights of all its business partners, suppliers, and service providers. We aim to build long-term, mutually beneficial relationships based on fairness and cost-competitiveness.

As part of the Ayala Land Group, ALLHC mandates that all accredited vendors adhere to the Vendor's Code of Ethics. To ensure compliance, the ALLHC Internal Audit Department conducts vendor audits as needed, in accordance with the Code.

We prioritize suppliers committed to environmental stewardship and, whenever possible, source materials locally.

ALLHC does not tolerate any form of child labor or modern slavery. All vendors, suppliers, and service providers are thoroughly audited to ensure that they do not use underage or illegal workers. No part of our operations has been found to involve child labor, forced labor, or exploitation.

Creditors

ALLHC acknowledges the rights of creditors and is committed to honoring its contracted financial obligations and any financial covenant that they may contain. Creditors have access to readily available information about ALLHC for credit standing assessment. The company has not defaulted on any loan or payment to creditors.

Shareholders and Analysts

As a publicly listed company, ALLHC provides timely, accurate, and materially relevant financial and operational information to its shareholders, analysts, and the investing public. Management and key company representatives make themselves available for one-on-one investor meetings and conferences.

The company maintains open communication by providing the contact details of its Investor Relations Office to address information requests of the investing community.

ALLHC complies with all the disclosure and transparency rules of the Securities and Exchange Commission (SEC) and the Philippine Stock Exchange (PSE), ensuring that all relevant information is publicly available. The company is dedicated to protecting and promoting the rights and interests of all shareholders.

Communities and Non-Government Organizations

Our developments are designed to create shared value in the regions where we operate. We serve as a bridge between industrial progress and local community resilience.

In 2025, ALLHC engaged in multiple community initiatives. Two carbon forest activities were conducted in Alaminos, Laguna. Tutuban Center and South Park Center organized "Trash to Cash" recycling fairs, collecting 390 kilograms of e-waste and 7,038 kilograms of common recyclable materials for proper disposal. This initiative aimed to promote environmental awareness and encourage responsible waste management within the community.

ALLHC continues to support small and medium enterprises through its TutuBuy e-commerce site and Alagang AyalaLand Social Enterprise in its commercial centers.

National and Local Government

ALLHC actively ensures compliance with all applicable laws and regulations mandated by government institutions and regulatory bodies. The company collaborates with both the local and national government to address social issues.

The company participates in local government initiatives, including local medical missions. In 2025, Tutuban Center and South Park Center continued to support local government units and agencies through initiatives such as Blood Letting in partnership with Muntinlupa LGU and Brgy. 234 Council & Alay Dugtong Buhay Youth Chapter in Manila City, and the free pet vaccination initiated by the LGUs. The company also participated in the Pride Month celebration and Job Fair in South Park Center.

Media

Transparency is our guiding principle. Through its corporate communications, ALLHC actively engages with the media through press releases, features, social events, and third-party consultants. The company ensures that media inquiries and concerns are promptly addressed via email, phone, in-person meetings, and other communication channels.

ALLHC strives to build transparent and trustworthy relationships with media representatives, guided by the company's commitment to good corporate governance and ethical standards.

From: ALLHC Castro, Maida B.
Sent: Tuesday, 14 April 2026 3:34 pm
To: ALLHC Abad, Janel B.
Cc: ALLHC Gargallano, Krislyn B.; ALLHC Deguzman, Tristan; ALLHC Ochada, Cherie-Lou L.; ALLHC Dalisay, Paul John F.
Subject: FW: Your BIR AFS eSubmission uploads were received

Hi Ja,

For common reference.

Thanks,
Maida B. Castro
Senior Finance Manager
AyalaLand Logistics Holdings Corp.

E: castro.maida@ayalalandlogistics.com
M: +63917-519-8482



From: eafs@bir.gov.ph <eafs@bir.gov.ph>
Sent: Tuesday, 14 April 2026 2:39 pm
To: ALLHC Castro, Maida B. <castro.maida@ayalalandlogistics.com>
Cc: MONTOJO.FRANCIS@AYALALAND.COM.PH
Subject: Your BIR AFS eSubmission uploads were received

Hi AYALALAND LOGISTICS HOLDINGS CORP.,

Valid files

- EAFS000804342ITRTY122025.pdf
- EAFS000804342AFSTY122025.pdf
- EAFS000804342TCRTY122025-01.pdf
- EAFS000804342RPPTY122025.pdf

Invalid file

- <None>

Transaction Code: **AFS-0-CAGDC96A0N2SQVTP3P223QSPX02S12P2YQ**
Submission Date/Time: **Apr 14, 2026 02:39 PM**
Company TIN: **000-804-342**

Please be reminded that you accepted the terms and conditions for the use of this portal and expressly agree, warrant and certify that:

- The submitted forms, documents and attachments are complete, truthful and correct based on the personal knowledge and the same are from authentic records;
- The submission is without prejudice to the right of the BIR to require additional document, if any, for completion and verification purposes;
- The hard copies of the documents submitted through this facility shall be submitted when required by the BIR in the event of audit/investigation and/or for any other legal purpose.

This is a system-generated e-mail. Please do not reply.

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Ayala Land, Inc.
<http://www.ayalaland.com.ph>

February 12, 2026

**STATEMENT OF MANAGEMENT'S RESPONSIBILITY
FOR FINANCIAL STATEMENTS**

The management of AyalaLand Logistics Holdings Corp. (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 and 2024 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

ANNA MA. MARGARITA B. DY
Chairman, Board of Directors

ROBERT S. LAO
President & Chief Executive Officer

TRISTAN JOHN GUZMAN
Chief Finance Officer

SUBSCRIBED AND SWORN to before me this FEB 12 2026, at Makati City, affiants exhibited to me their passports as competent evidence of their identities, as follows:

<u>Name</u>	<u>Passport No.</u>	<u>Date/Place of Issue</u>
Anna Ma. Margarita B. Dy		
Robert S. Lao		
Tristan John T. de Guzman		

WITNESS MY HAND AND SEAL on the date and at the place first above written.

Doc. No. 261;
Page No. 59;
Book No. XVII;
Series of 2026.



TRIXIE C. GONZALES
Notary Public - Makati City
Appt. No. _____
Roll of Attorneys No. _____
IRP No. _____ 6; Manila IV

PTB No. _____
MCLC Compliance No. _____ issued on 05/01/2025



Isla Lipana & Co.

AyalaLand Logistics Holdings Corp.

Separate Financial Statements

As at and for the years ended December 31, 2025 and 2024





Independent Auditor's Report

To the Board of Directors and Shareholders of
AyalaLand Logistics Holdings Corp.
3rd Level Glorietta 5, Ayala Center
Makati City, Philippines

Report on the Audits of the Financial Statements

Our Opinion

In our opinion, the accompanying separate financial statements present fairly, in all material respects, the financial position of AyalaLand Logistics Holdings Corp. (the "Company") as at December 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended, in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards.

What we have audited

The separate financial statements of the Company comprise:

- the statements of financial position as at December 31, 2025 and 2024;
- the statements of comprehensive income for the years ended December 31, 2025 and 2024;
- the statements of changes in equity for the years ended December 31, 2025 and 2024;
- the statements of cash flows for the years ended December 31, 2025 and 2024; and
- the notes to the separate financial statements, comprising material accounting policy and other explanatory information.

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 Auditor's Responsibilities for the Audits of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Isla Lipana & Co., 29th Floor, AIA Tower, 8767 Paseo de Roxas,
1226 Makati City, Philippines
+63 (2) 8845 2728

Independence

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 separate financial statements of public interest entities, together with the ethical requirements that are relevant to our audits of separate 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.

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

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

In preparing the separate financial statements, management is responsible for assessing the ability of the Company 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 or to cease operations of the Company, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audits of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 separate 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 separate 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 auditor's report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate 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.

Independent Auditor's Report
To the Board of Directors and Shareholders of
AyalaLand Logistics Holdings Corp.
Page 4

Report on the Bureau of Internal Revenue (BIR) Requirement

Our audits were conducted for the purpose of forming an opinion on the basic separate financial statements taken as a whole. The supplementary information in Note 22 to the separate financial statements is presented for purposes of filing with the BIR and is not a required part of the basic separate financial statements. Such supplementary information is the responsibility of management and has been subjected to the auditing procedures applied in our audits of the basic separate financial statements. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic separate financial statements taken as a whole.

Isla Lipana & Co.

Zaldy D. Aguirre

Partner

CPA Cert No.

P.T.R. No. _____, issued on January 8, 2026, Makati City

SEC A.N (individual) as general auditors _____, _____ valid to audit 2020
to 2025 financial statements

SEC A.N (firm) as general auditors 0142-SEC, Category A; valid to audit 2020
to 2025 financial statements

TIN

BIR A.N. _____ issued on _____ ; effective until December 21, 2026.

BOA/PRC Reg. No. _____, effective until _____

Makati City
February 12, 2026

AyalaLand Logistics Holdings Corp.

Statements of Financial Position
As at December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	2025	2024
Assets			
Current assets			
Cash	2	5,327,767	12,371,798
Receivables, net	3	3,214,438	428,466
Financial assets at fair value through profit or loss	4	-	2,475,000
Amounts owed by related parties	12	1,179,790,214	751,142,103
Other current assets	6	30,459,342	113,900,320
Total current assets		1,218,791,761	880,317,687
Non-current assets			
Financial assets at fair value through other comprehensive income	5	21,000,000	24,000,000
Investments in subsidiaries and joint ventures	7	15,897,666,387	15,418,181,113
Property and equipment, net	8	42,837,328	4,860,856
Net pension assets	15	-	2,395,575
Deferred tax asset, net	16	16,634,282	35,081,723
Other non-current assets	6	111,730,645	9,688,499
Total non-current assets		16,089,868,642	15,494,207,766
Total assets		17,308,660,403	16,374,525,453
Liabilities and Equity			
Current liabilities			
Accounts payable and accrued expenses	9	91,085,080	68,304,126
Amounts owed to related parties	12	1,644,760,020	2,018,112,508
Short-term debts and current portion of long-term debt	10	1,112,900,000	12,900,000
Total current liabilities		2,848,745,100	2,099,316,634
Non-current liabilities			
Net pension liabilities	15	9,015,682	-
Long-term debt, net of current portion	10	1,245,370,952	1,257,612,434
Other non-current liabilities	13	1,097,516,186	1,094,783,039
Total non-current liabilities		2,351,902,820	2,352,395,473
Total liabilities		5,200,647,920	4,451,712,107
Equity			
Capital stock	11	6,217,507,465	6,214,328,056
Additional paid-in capital	11	5,892,280,189	5,890,118,191
Equity reserves	18	33,278,045	33,278,045
Other comprehensive losses	11	(1,167,738,916)	(1,161,817,014)
Retained earnings		1,132,685,700	946,906,068
Total equity		12,108,012,483	11,922,813,346
Total liabilities and equity		17,308,660,403	16,374,525,453

The notes on pages 1 to 28 are integral part of these separate financial statements.

AyalaLand Logistics Holdings Corp.

Statements of Comprehensive Income
For the years ended December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	2025	2024
Income			
Dividend income	7, 12	500,000,000	350,000,000
Recoveries	12	168,100,914	86,483,155
Miscellaneous income	14	11,632,155	1,723,440
		679,733,069	438,206,595
Operating expenses	14	(205,237,568)	(143,253,404)
Income from operations		474,495,501	294,953,191
Other charges			
Interest expense	14	(151,666,387)	(152,452,951)
Equity in net loss of joint venture	7	(113,514,726)	(23,166,405)
Loss on sale of property and equipment		(954,061)	-
		(266,135,174)	(175,619,356)
Income before income tax		208,360,327	119,333,835
Income tax expense benefit	16	(22,580,695)	(746,046)
Net income for the year		185,779,632	118,587,789
Other comprehensive income			
<i>Items that may not be reclassified to profit or loss in subsequent years:</i>			
Unrealized (loss) gain on financial assets at fair value through other comprehensive income	5	(3,000,000)	9,000,000
Loss on remeasurement of retirement benefits	15	(2,921,902)	(450,244)
		(5,921,902)	8,549,756
Total comprehensive income for the year		179,857,730	127,137,545
Earnings per share	17	0.030	0.019

The notes on pages 1 to 28 are integral part of these separate financial statements.

AyalaLand Logistics Holdings Corp.

Statements of Changes in Equity
For the years ended December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Capital stock (Note 11)	Additional paid-in capital (Note 11)	Equity reserves	Other comprehensive losses (Note 11)	Retained earnings	Total
Balances at January 1, 2024	6,209,955,315	5,887,144,727	33,278,045	(1,170,366,770)	828,318,279	11,788,329,596
Comprehensive income						
Net income for the year	-	-	-	-	118,587,789	118,587,789
Other comprehensive income for the year	-	-	-	8,549,756	-	8,549,756
Total comprehensive income for the year	-	-	-	8,549,756	118,587,789	127,137,545
Transaction with owners						
Proceeds from share subscriptions	4,372,741	2,973,464	-	-	-	7,346,205
Balances at December 31, 2024	6,214,328,056	5,890,118,191	33,278,045	(1,161,817,014)	946,906,068	11,922,813,346
Comprehensive income						
Net income for the year	-	-	-	-	185,779,632	185,779,632
Other comprehensive income for the year	-	-	-	(5,921,902)	-	(5,921,902)
Total comprehensive income for the year	-	-	-	(5,921,902)	185,779,632	179,857,730
Transaction with owners						
Proceeds from share subscriptions	3,179,409	2,161,998	-	-	-	5,341,407
Balances at December 31, 2025	6,217,507,465	5,892,280,189	33,278,045	(1,167,738,916)	1,132,685,700	12,108,012,483

The notes on pages 1 to 28 are integral part of these separate financial statements.

AyalaLand Logistics Holdings Corp.

Statements of Cash Flows
For the years ended December 31, 2025 and 2024
(All amounts in Philippine Peso)

	Notes	2025	2024
Cash flows from operating activities			
Income before income tax		208,360,327	119,333,835
Adjustments for:			
Depreciation and amortization	8,14	1,433,465	1,500,396
Interest income	2,6,15	(360,927)	(531,383)
Interest expense	14	151,666,387	152,452,951
Share in net loss of joint venture	7	113,514,726	23,166,405
Current service costs	15	5,252,725	3,361,303
Realized gain on financial assets at FVPL	4	(25,000)	-
Operating income before working capital changes		479,841,703	299,283,507
Receivables		(2,785,972)	489,844
Amounts owed by related parties		(350,000,000)	(150,000,000)
Other current assets		84,310,751	(14,760,045)
Accounts payable and accrued expenses		25,834,585	22,723,116
Other non-current liabilities		2,733,147	(1,669,665)
Net cash flows from operations		239,934,214	156,066,757
Interest received		129,234	2,082,241
Income tax paid		(4,133,254)	(1,744,572)
Net cash flows from operating activities		235,930,194	156,404,426
Cash flows from investing activities			
Additions of amounts owed by related parties	12	227,805,396	22,737,147
Collections of amounts owed by related parties		(241,531,675)	(58,331,521)
Additions to investment in joint ventures	7	(593,000,000)	(83,000,000)
Additions to other non-current assets		(102,042,148)	(3,200,272)
Acquisition of property and equipment	8	(40,196,062)	(2,876,881)
Net cash flows used in investing activities		(748,964,489)	(124,671,527)
Cash flows from financing activities			
Proceed from share subscription	11	5,341,407	7,346,205
Proceeds from sale of FVPL		2,500,000	-
Availment of short-term debt		1,100,000,000	-
Additions to amounts owed to related parties	12	138,386,399	1,134,246,700
Payments of:			
Amounts owed to related parties		(614,021,610)	(1,056,567,046)
Long term debt		(126,215,932)	(108,190,521)
Net cash flows (used in) from financing activities		505,990,264	(23,164,662)
Net increase (decrease) in cash		(7,044,031)	8,568,237
Cash at beginning of the year		12,371,798	3,803,561
Cash at end of year		5,327,767	12,371,798

The notes on pages 1 to 28 are integral part of these separate financial statements.

AyalaLand Logistics Holdings Corp.

Notes to the Separate Financial Statements

As at and for the years ended December 31, 2025 and 2024

(In the notes, all amounts are in Philippine Peso unless otherwise stated)

1 Corporate information

AyalaLand Logistics Holdings Corp. (ALLHC; the “Company”) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on May 19, 1989. The Company is a subsidiary of Ayala Land, Inc. (ALI). ALI’s parent company is Ayala Corporation (AC). AC is 47.57% owned by Mermac, Inc. and the rest by the public as at December 31, 2025. Both ALI and AC are publicly-listed companies incorporated in the Philippines. The Company is listed in the Philippine Stock Exchange.

The Company’s registered office address is located at 3rd Floor Glorietta 5, Ayala Center, Makati City. On February 12, 2026, the Company’s BOD approved the change in the Company’s registered office address to 5/F Glorietta 4, Ayala Center, Makati City.

The accompanying separate financial statements of the Company as at and for the years ending December 31, 2025 and 2024 were approved by the Company’s Board of Directors (BOD) on February 12, 2026.

2 Cash

Cash as at December 31 consists of:

	2025	2024
Cash on hand	20,000	20,000
Cash in banks	5,307,767	12,351,798
	<u>5,327,767</u>	<u>12,371,798</u>

Cash in banks earn interest at the respective bank deposit rates.

Interest income earned from cash in bank for the year ended December 31, 2025 amounted to P129,234 (2024 - P73,118) (Note 14).

3 Receivables, net

Receivables, net as at December 31 consist of:

	2025	2024
Receivable from third party	23,610,224	23,610,224
Less: Allowance for expected credit losses	(23,610,224)	(23,610,224)
Net Receivable from third party	-	-
Non-trade receivable	2,671,351	-
Advances to officers and employees	153,752	155,623
Others	389,335	272,843
	<u>3,214,438</u>	<u>428,466</u>

Non-trade receivables pertain to excess payments made to contractors for construction services of the Company’s new office building. These are collectible within the next 12 months.

Advances to officers and employees represent advances for travel and other expenses arising in the ordinary course of business. These are non-interest-bearing and are recoverable through expense liquidation within twelve (12) months from grant date.

Others mainly pertain to benefits advanced by the Company to its employees which are reimbursable from government agencies.

There was no provision for expected credit losses for the years ended December 31, 2025 and 2024.

4 Financial assets at FVPL

This account pertains to investments in redeemable preferred shares designated as financial assets at FVPL.

In 2025, the Company sold its financial assets at FVPL for a total consideration of P2,500,000 resulting to a gain on sale of P25,000.

There was no dividend income earned from these shares amounted in 2025 and 2024.

5 Financial assets at FVOCI

Financial assets at FVOCI pertain to investments in equity securities which are not held for trading and which the Company has irrevocably designated at FVOCI, as the Company considers these investments to be strategic in nature.

These equity securities mainly pertain to quoted golf club shares and 19.65% equity interest in Cyber Bay Corporation.

The Company's investment in Cyber Bay Corporation amounting to P458.07 million is provided with full allowance. As at December 31, 2025 and 2024, the book value of Cyber Bay shares amounted to nil.

Movements of financial assets at FVOCI for the years ended December 31 follows:

	2025	2024
Beginning of year	24,000,000	15,000,000
Unrealized (loss) gain	(3,000,000)	9,000,000
End of year	21,000,000	24,000,000

6 Other assets

Other assets as at December 31 consists of:

	2025			2024		
	Current	Non-current	Total	Current	Non-current	Total
Creditable withholding taxes (CWT)*	141,003	102,707,727	102,848,730	77,720,532	-	77,720,532
Input value added tax (VAT)*	27,233,462	1,519,592	28,753,054	35,629,722	-	35,629,722
Advances to suppliers	2,177,340	-	2,177,340	-	-	-
Refundable and other deposits	44,800	1,653,717	1,698,517	-	1,713,861	1,713,861
Prepayments*	1,079,371	-	1,079,371	766,700	-	766,700
Receivable from employees	-	1,818,751	1,818,751	-	1,297,494	1,297,494
Others	-	4,030,858	4,030,858	-	6,677,144	6,677,144
	30,675,976	111,730,645	142,406,621	114,116,954	9,688,499	123,805,453
Allowance for impairment losses	(216,634)	-	(216,634)	(216,634)	-	(216,634)
	30,459,342	111,730,645	142,189,987	113,900,320	9,688,499	123,588,819

*Gross of allowance for impairment losses

Creditable withholding taxes (CWTs) are available for offset against income tax payable in the future periods.

Input value added tax (VAT) pertains to VAT passed on from purchases of goods or services which is available for application against output VAT.

Advances to suppliers pertain to the advance payment to service contractors which will be applied against future billings.

Refundable and other deposits represent payments made by the Company mainly to utility companies in accordance to its utility service agreements which will be collected upon termination of underlying contract. Prepayments pertain to prepaid dues and software subscription licenses and other prepaid expenses that are to be amortized over a period of one (1) year.

Receivable from employees pertains to payments made by the Company relating to employee car plans on behalf of the employees which will be recovered through salary deduction within three to five years. Interest income from employee loans amounted to P83,646 in 2025 (2024 - 91,642) (Note 14).

Others mainly pertain to prepaid project-related transaction costs which are expected to be amortized after 12 months.

There are no provisions for impairment losses for the years ended December 31, 2025 and 2024.

7 Investments in subsidiaries and joint ventures

The details of investments in subsidiaries, accounted for at cost less impairment losses, and investments in joint venture, accounted for under equity method, as at December 31 are as follows:

	2025		2024	
	Ownership percentage	Amount	Ownership percentage	Amount
Subsidiaries:				
Orion Land, Inc. (OLI)	100.00%	7,530,680,000	100.00%	7,530,680,000
Laguna Technopark, Inc. (LTI)	100.00%	4,031,260,000	100.00%	4,031,260,000
Unity Realty Development Corp. (URDC)	100.00%	2,343,213,092	100.00%	2,343,213,092
A-Flow Land I Corp. (AFLOW Land)	60.00%	361,227,750	60.00%	361,227,750
Orion I Holdings Philippines, Inc. (OIHPI)**	100.00%	2,700,500,000	100.00%	2,700,500,000
FLT Prime Insurance Corporation (FPIC)*	78.77%	182,548,359	78.77%	182,548,359
Orion Solutions, Inc. (OSI)*	100.00%	50,464,890	100.00%	50,464,890
Stock options granted (Note 19)		15,393,668		15,393,668
		17,215,287,759		17,215,287,759
Less: allowance for impairment losses				
OIHPI**		(2,471,005,305)		(2,471,005,305)
FPIC*		(51,508,389)		(51,508,389)
OSI*		(12,200,000)		(12,200,000)
		(2,534,713,694)		(2,534,713,694)
		14,680,574,065		14,680,574,065
Joint venture:				
A-Flow Properties I Corp. (AFLOW PropCo)	50.00%		50.00%	
Beginning of year		737,607,048		677,773,453
Investment, net during the year		593,000,000		83,000,000
Equity in net loss during the year		(113,514,726)		(23,166,405)
End of year		1,217,092,322		737,607,048
		15,897,666,387		15,418,181,113

* Inactive companies approved by their respective BOD for liquidation

**SEC approved shortening of corporate term

All of the Company's subsidiaries and joint ventures are incorporated in the Philippines.

The voting rights held by the Company in its investments in subsidiaries are in proportion to its ownership interest.

Investments in subsidiaries

OLI

OLI operates a commercial building composed of a 5-storey shopping center and a 6-storey business processing outsourcing office with a gross leasable area of 60,000 square meters located along National Road, Alabang, Muntinlupa City.

LTI

LTI was incorporated on November 15, 1990 and is based in Laguna. LTI develops industrial parks and leases ready-built factory units and sells industrial lots to local and company locators.

LTI declared dividends in 2025 and 2024 amounting to P500,000,000 and P350,000,000 which will be settled within 12 months (Note 12).

URDC

URDC was acquired from previous individual stockholders on July 19, 2019. URDC owns a property in Pampanga which is currently being developed to be Pampanga Technopark, a world-class industrial township, which caters to light and medium, non-polluting enterprises, from both global and local markets.

A-FLOW Land

A-FLOW Land was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 12, 2022. On October 4, 2023, ALLHC entered into subscription agreement with Flow Luna | Property Pte. Ltd (FLOW) representing 60% interest in A-FLOW Land. A-FLOW Land's primary purpose is to engage in the land leasing business.

Investments in joint venture

On October 4, 2022, ALLHC entered into Joint Venture agreement with Flow Luna | Property Pte. Ltd (FLOW) representing 50% interest in A-FLOW Properties I Corp (A-FLOW PropCo), a joint venture involved in the establishing, developing, operating, leasing, and owning digital, critical, and physical infrastructure of and for data center facilities and other digital transformative technologies, as well as to render and provide services ancillary to the foregoing. ALLHC's capital commitments is to fund equity required for the joint venture pari passu and on a pro rata basis to their agreed ownership ratio and in accordance with the terms of the agreement, provided that if there are shareholders of the A-FLOW PropCo other than FLOW, ALLHC and where applicable, their respective affiliates, the shareholders will fund equity based on their prevailing ownership ration.

Set out below is the summarized unaudited financial information for A-FLOW PropCo as at and for the year ended December 31:

	2025	2024
Current assets	1,087,370,525	771,681,397
Noncurrent assets	3,972,706,201	2,329,638,693
Current liabilities	(60,522,339)	(226,900,942)
Noncurrent liabilities	(2,881,071,671)	(1,710,000,000)
Equity	2,118,482,716	1,164,419,148
Revenue during the year	6,178,249	209,943
Net loss during the year	(227,029,452)	(46,332,810)
Total comprehensive loss during the year	(227,029,452)	(46,332,810)

The Company did not receive any dividends from A-FLOW PropCo for the year ended December 31, 2025 and 2024. The Company has not incurred any contingent liabilities as at December 31, 2025 and 2024 in relation to its interest in the joint ventures, nor do the joint ventures themselves have any contingent liabilities for which the Company is contingently liable.

8 Property and equipment

Property and equipment as at December 31 consist of:

	Furniture, fixtures and office equipment	Leasehold improvements	Construction- In-Progress	Transportation equipment	Total
2025					
Cost					
Beginning of year	7,047,400	2,201,307	-	4,537,500	13,786,207
Additions during the year	-	-	36,458,363	3,737,699	40,196,062
Disposals during the year	-	-	-	(827,500)	(827,500)
End of year	7,047,400	2,201,307	36,458,363	7,447,699	53,154,769
Accumulated depreciation and amortization					
Beginning of year	5,665,627	2,201,307	-	1,058,417	8,925,351
Depreciation and amortization during the year (Note 14)	462,608	-	-	970,857	1,433,465
Disposals during the year	-	-	-	(41,375)	(41,375)
End of year	6,128,235	2,201,307	-	1,987,899	10,317,441
Net book values	919,165	-	36,458,363	5,459,800	42,837,328
2024					
Cost					
Beginning of year	6,320,519	2,201,307	-	2,709,375	11,231,201
Additions during the year	726,881	-	-	2,150,000	2,876,881
Disposals during the year	-	-	-	(321,875)	(321,875)
End of year	7,047,400	2,201,307	-	4,537,500	13,786,207
Accumulated depreciation and amortization					
Beginning of year	5,076,312	2,143,820	-	253,104	7,473,236
Depreciation and amortization during the year (Note 14)	589,315	57,487	-	853,594	1,500,396
Disposals during the year	-	-	-	(48,281)	(48,281)
End of year	5,665,627	2,201,307	-	1,058,417	8,925,351
Net book values	1,381,773	-	-	3,479,083	4,860,856

Construction-In-Progress pertain to the newly constructed office building.

9 Accounts payable and accrued expenses

Accounts payable and accrued expenses as at December 31 consists of:

	2025	2024
Accounts payable	81,702,985	52,438,437
Accrued expenses and others		
Interest	9,382,095	8,033,239
Salaries and benefits	-	7,832,450
	91,085,080	68,304,126

Accounts payable and accrued expenses are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established. These are non-interest bearing and are normally settled on 30-60 days' term. These are classified as current liabilities if payment is due within one year (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

10 Short-term and long-term debt

Short-term debt

In 2025, the Company obtained short-term loans amounting to an aggregate of P1,100 million with local bank to fund its working capital requirement, carrying interest rates of 5.20% to 5.60% per annum and payable on demand with repricing every 45 days.

Long-term debt

In 2021, the Company availed a loan from a local bank for working capital requirements amounting to P1,290,000,000 with a term of 10 years maturing in November 2031. Interest rate per annum is at 6.64% and 6.56% as at December 31, 2025 and 2024, respectively.

Movements in short-term and long-term debt for the years ended December 31 are as follows:

	2025	2024
Beginning of year	1,270,512,434	1,282,413,009
Availment of short-term loans during the year	1,100,000,000	-
Payments during the year	(12,900,000)	(12,900,000)
Amortization of deferred transaction costs (Note 14)	658,518	999,425
End of year	2,358,270,952	1,270,512,434
Short-term debt and current portion of long-term debt	1,112,900,000	12,900,000
Non-current portion of long-term debt	1,245,370,952	1,257,612,434

Interest expense arising from short-term and long-term debt amounted to P104,976,057 for the year ended December 31, 2025 (2024 - P95,329,016) (Note 14).

The loans require that the Company comply with certain covenants including, among others, a bank debt to tangible net worth ratio. As of December 31, 2025 and 2024, the Company has complied with these loan covenants.

11 Equity

Capital stock and additional paid-in capital

Details of the Company's capital stock and additional paid-in capital follows:

	2025		2024	
	Number of shares	Amount	Number of shares	Amount
Authorized, P1 par value	7,500,000,000	7,500,000,000	7,500,000,000	7,500,000,000
Issued	6,158,660,192	6,158,660,192	6,158,660,192	6,158,660,192
Subscribed	142,931,795	142,931,795	142,931,795	142,931,795
Subscription receivable		(84,084,522)		(87,263,931)
Issued and outstanding	6,301,591,987	6,217,507,465	6,301,591,987	6,214,328,056
Additional paid-in capital		5,892,280,189		5,890,118,191

Capital stock and additional paid-in capital increased by P3,179,409 and P2,161,998, respectively (2024 - P4,372,741 and P2,973,464, respectively), net of stock transaction costs, following collection of subscription receivable.

Other comprehensive loss, net

Details of the Company's other comprehensive loss, net follows:

	Note	2025	2024
Unrealized loss on financial assets at FVOCI	5	1,120,164,639	1,117,164,639
Loss on measurement of retirement benefits	15	47,574,277	44,652,375
		1,167,738,916	1,161,817,014

Capital Management

The primary objective of the Company's capital management is to optimize the use and earnings potential of the Company's resources and considering changes in economic conditions and the risk characteristics of the Company's activities.

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

As at December 31, 2025 and 2024, the Company considers its capital stock, additional paid in capital and retained earnings as its capital. The Company is not subject to externally imposed capital requirements.

12 Related party transactions

Related party relationship exists when one party has the ability to control, directly or indirectly through one or more intermediaries, the other party or exercise significant influence over the other party in making financial and operating decisions. Such relationship also exists between and/or among entities, which are under common control with the reporting enterprises and its key management personnel, directors or its stockholders. In considering each related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Except as otherwise indicated, the outstanding accounts with related parties shall be settled in cash and made at terms and prices agreed upon by the parties. There have been no guarantees provided or received for any related party receivables or payables and are generally unsecured.

In the ordinary course of business, the Company has transactions with related parties.

Amounts owed by related parties

	Transactions for the year		Balance as at December 31		
	2025	2024	Due from 2025	2024	
Recoveries					
<i>Subsidiaries</i>	168,100,914	86,483,155	128,096,605	71,141,734	Recoveries represents share in expenses incurred by the Company charged to its subsidiaries. These are unsecured, unguaranteed, non-interest bearing and collectible on demand.
Advances to subsidiaries					
<i>Subsidiaries</i>	227,805,396	22,737,147	525,425,163	307,619,766	Advances are for the subsidiaries' working capital requirements. These are unsecured, unguaranteed, non-interest bearing and payable in cash within 30 days.
Management fees (Note 14)					
<i>Entities under common control</i>	3,486,780	-	-	-	This pertains to management agreement entered into by the Company with an entity under common control to facilitate the dissolution, liquidation, and winding down of the entity under common control. These are unsecured, unguaranteed, non-interest bearing and payable in cash within 30 days.
Dividends receivable (Note 7)					
<i>Subsidiary</i>	500,000,000	350,000,000	500,000,000	350,000,000	See Note 7.
Reimbursements of expenses					
<i>Parent</i>	48,412	1,314	9,972,179	9,923,767	These are operating expenses settled by the Company on behalf of its related parties. These are collected in cash and based on credit term of 30 days, unsecured, unguaranteed and non-interest bearing.
<i>Entities under common control*</i>	4,247,317	1,723,730	16,286,937	12,447,506	
<i>Other related parties</i>	-	9,330	9,330	9,330	
	4,295,729	1,734,374	26,268,446	22,380,603	
	903,688,819	460,954,676	1,179,790,214	751,142,103	

*Includes intercompany charging of P2,410,710 related to transferred pension obligation of employee and management fees of P3,486,780 pertaining to the Company's facilitation of a related party's dissolution, liquidation, and winding down of its business.

Amounts owed to related parties

	Transactions for the year		Balance as at December 31		
	2025	2024	Due to		
	2025	2024	2025	2024	
Loans from related parties					
<i>Parent</i>	19,351,820	-	13,318,551	5,220,280	These are unsecured, unguaranteed, interest bearing and payable in cash within 12 months. Interest rate is at 5.60% to 6.60% per annum. These loans were obtained to fund the Company's working capital requirements and business operations.
<i>Entities under common control</i>	79,034,579	919,546,000	492,339,000	909,126,817	
<i>Subsidiary</i>	40,000,000	214,700,700	43,720,996	104,429,234	
	138,386,399	1,134,246,700	549,378,547	1,018,776,331	
Interest expense (Note 14)					
<i>Parent</i>	746,450	6,663,834	647,919	6,219	Interest expense is due and demandable and shall be payable based on interest rates agreed between parties.
<i>Entities under common control</i>	38,882,521	38,835,801	30,207,647	2,642,786	
<i>Subsidiary</i>	9,402,841	10,624,875	10,688,661	1,534,330	
	49,031,812	56,124,510	41,544,227	4,183,335	
Systems cost					
<i>Parent</i>	64,445,290	31,624,496	208,422,998	145,408,953	The Company entered into system cost agreement with its related parties. In consideration of these services, fees are negotiated and billed equivalent to agreed prices. These are unsecured, unguaranteed, non-interest bearing and payable on demand.
Leases					
<i>Entities under common control</i>	5,154,224	1,635,654	-	-	- The Company entered into a Contract of Lease with a related party for a building space located primarily for administrative use. The contract provided for a payment of a guaranteed fixed monthly rental. The lease covers period covers from July 1, 2020 to December 31, 2023. The contract was extended until 2025. Management consider the extension as a short-term lease.
Advances					
<i>Entities under common control</i>	607,609	-	2,925,379	7,624,288	Advances from related parties for the Company's working capital requirements. These are unsecured, unguaranteed, non-interest bearing and payable in cash within 30 days at gross amount.
<i>Subsidiary</i>	1,300,178	2,326,682	842,488,869	842,119,601	
	1,907,787	2,326,682	845,414,248	849,743,889	
	258,925,512	1,225,958,042	1,644,760,020	2,018,112,508	

Compensation of key management personnel

The key management personnel of the Company are employees of ALI. As such, the compensation of the said employees is paid by ALI, the necessary disclosures required by PAS 24, Related Party Disclosure are included in the financial statements of ALI. Compensation for said employees are billed to the Company and form part of systems cost. The Company also incurred director's fee amounting to P5,265,548 for the year ended December 31, 2025 (2024 - P3,780,000) (Note 14).

13 Other non-current liabilities

Details of the account are as follows:

	2025	2024
Subscription payable	1,094,732,918	1,094,732,918
Retention payable	2,783,268	50,121
	1,097,516,186	1,094,783,039

As at December 31, 2025 and 2024, the Company has outstanding subscription payable on common shares of Cyber Bay and OLI amounting to P481.68 million.

14 Miscellaneous income; Operating expenses; Interest expense

Miscellaneous income

The details of this account follow:

	Notes	2025	2024
Reversal of excess accrual		7,727,929	1,177,839
Management fees	12	3,486,780	-
Interest income	2,6,15	360,927	531,383
Others		56,519	14,218
		11,632,155	1,723,440

Operating expenses

The details of this account follow:

	Notes	2025	2024
Salaries and wages		71,923,178	59,746,519
System costs	12	64,445,290	31,624,496
Other employee benefits		14,925,767	8,148,404
Taxes and licenses		12,715,643	8,894,850
Rent		6,418,330	2,583,036
Director's fee	12	5,265,548	3,780,000
Retirement benefits costs	15	5,252,725	3,361,303
Contracted services		4,657,380	3,571,143
Professional fees		4,561,209	4,787,730
Communication, light and water		2,857,810	2,894,646
Travel and transportation		1,968,941	932,870
Depreciation and amortization	8	1,433,465	1,500,396
Repairs and maintenance		1,045,103	2,196,521
Membership, fees and dues		498,643	3,500,541
Others		7,268,536	5,730,949
		205,237,568	143,253,404

Interest expense

The details of this account follow:

	Notes	2025	2024
Interest expenses from bank debts	10	104,976,057	95,329,016
Interest expenses from amounts owed to related parties	12	46,031,812	56,124,510
Discount amortization on bank loan	10	658,518	999,425
		151,666,387	152,452,951

15 Retirement benefits liability

The Company has a funded, non-contributory retirement plan covering all its regular qualified employees. The plan provides for retirement, separation, disability and death benefits to its members. The normal retirement benefit is based on a percentage of the employees' final monthly salary for every year of credited service. The latest independent actuarial valuation of the plan was as at December 31, 2025 using the projected unit credit method in accordance with PAS 19 Revised.

The following tables summarize the funded status and amounts recognized in the Company's statements of financial position, and the components of the retirement benefit expense recognized in the Company's statements of income for the retirement plan:

	2025	2024
Fair value of plan assets	24,403,484	23,213,714
Present value of obligation	(33,419,166)	(20,818,139)
Net pension (liability) asset	(9,015,682)	2,395,575

	Note	2025	2024
Current service cost	14	5,252,725	3,361,303
Interest income, net	14	(148,047)	(366,623)
		5,104,678	2,994,680

Changes in fair value of plan assets follows:

	2025	2024
Beginning of year	23,213,714	22,008,010
Interest income	1,434,608	1,340,769
Remeasurement loss	(244,838)	(135,065)
End of year	24,403,484	23,213,714

Changes in the retirement benefit obligation follows:

	2025	2024
Beginning of year	20,818,139	16,017,429
Current service cost	5,252,725	3,361,303
Interest cost	1,286,561	974,146
Remeasurement loss	3,651,031	465,261
Net acquired obligation due to employee transfers (Note 12)	2,410,710	-
End of year	33,419,166	20,818,139

The categories of plan assets as a percentage of fair value of the total plan assets follows:

	2025	2024
Fixed income	99.82%	97.70%
Cash	0.18%	2.30%
	100.00%	100.00%

The plan assets are invested in different financial instruments and do not have any concentration risk. The asset allocation of the plan is set and reviewed from time to time by the Trustee taking into account the membership profile and the liquidity requirements of the plan. This also considers the expected benefit cash flows to be matched with asset durations.

Debt securities include investments in government debt securities that are in the form of fixed rate treasury notes and retail treasury bonds issued by the Philippine government. As at December 31, 2025 and 2024, the plan assets do not include any equity instruments nor any property occupied, or other assets of the Company's related parties.

The Company does not expect to contribute to the retirement plan for the year 2025.

The principal assumptions used in determining retirement benefits costs and retirement benefits liability for the defined benefit plan are shown below:

	2025	2024
Discount rate	6.47%	6.18%
Salary increase rate	6.00%	5.00%

The sensitivity analysis below has been determined based on reasonably possible changes of each significant assumption on the defined benefit obligation as of the end of the reporting period, assuming if all other assumptions were held constant:

	Impact on retirement benefit obligation		
	Change in assumption	Increase in assumption	Decrease in assumption
December 31, 2025			
Discount rate	+/-1%	(3,043,752)	3,608,302
Future salary increase rate	+/-1%	3,716,815	(3,231,603)
December 31, 2024			
Discount rate	+/-1%	(2,221,101)	2,193,081
Future salary increase rate	+/-1%	2,310,090	(1,993,273)

It should be noted that the changes assumed to be reasonably possible at the valuation date are open to subjectivity, and do not consider more complex scenarios in which change other than those assumed may be deemed to be more reasonable.

The following table shows the maturity profile of the Company's defined benefit obligation based on undiscounted benefit payments:

	2025	2024
Less than 1 year	5,444,794	233,539
More than 1 year to 5 years	12,636,547	8,244,377
More than 5 years to 10 years	20,533,975	15,822,703
More than 10 years to 15 years	66,353,572	21,438,894
More than 15 years to 20 years	59,550,629	40,535,102
More than 20 years	243,768,619	97,242,939

The average duration of the defined benefit obligation is 16 years in 2025 (2024 - 15 years).

16 Income tax

The details of income tax expense (benefit) follow:

	2025	2024
Current	25,847	1,744,572
Deferred	22,554,848	(998,526)
	22,580,695	746,046

The current income tax expense in 2025 and 2024 pertains to MCIT.

The reconciliation of provision for income tax computed at the statutory tax rate to income tax expense as shown in the Company's statements of income follows:

	2025	2024
Taxable income at statutory income tax rates	52,090,082	29,833,459
Adjustments to income tax resulting from:		
Non-taxable dividend income	(125,000,000)	(87,500,000)
Interest income subject to final tax	(2,017)	(3,656)
Non-deductible expenses	3,742	28,126
Unrecognized deferred tax assets	72,934,040	58,388,117
Derecognition of deferred tax assets from net operating loss carryover	22,554,848	-
	22,580,695	746,046

Deferred tax assets and deferred tax liabilities are offset and the component of net deferred income tax assets reported in the statement of financial position as follows:

	2025	2024
Deferred income tax assets on:		
NOLCO	14,976,120	37,530,968
Pension liabilities	2,253,921	-
Deferred income tax liabilities on:		
Discount on long term debt	(595,759)	(1,646,891)
Pension asset	-	(802,354)
	16,634,282	35,081,723

The Company did not recognize deferred income tax assets on the following temporary differences, NOLCO and MCIT because management believes that it may not be probable that sufficient future taxable income will be available to allow part of the deferred income tax assets to be utilized.

	2025	2024
Allowance for impairment losses on:		
Investments in subsidiaries and an associate	2,534,713,694	2,534,713,694
Receivables	23,610,224	23,610,224
Prepayments and other current assets	192,820	192,820
NOLCO	606,260,164	314,524,003
MCIT	6,194,020	3,526,852
Loss on financial assets at FVPL	-	162,500

As at December 31, 2025 and 2024, the Company's NOLCO which can be claimed as deduction from the regular taxable income for the next three to five consecutive taxable years, as follows:

Year incurred	Year of expiration	2025	2024
2020	2025	-	48,037,215
2021	2026	38,598,484	38,598,484
2022	2025	-	42,182,178
2023	2026	108,197,896	108,197,896
2024	2027	227,632,100	227,632,100
2025	2028	291,736,163	-
		666,164,643	464,647,873
Tax rate		25%	25%
		166,541,161	116,161,968
Recognized DTA on NOLCO		14,976,120	37,530,968
Unrecognized DTA on NOLCO		151,565,041	78,631,000

As at December 31, 2025 and 2024, the Company has unrecognized MCIT that can be used against payment of regular income tax as follows:

Year incurred	Year of expiration	2025	2024
2022	2025	-	919,779
2023	2026	877,125	877,125
2024	2027	1,729,948	1,729,948
2025	2028	3,586,947	-
		6,194,020	3,526,852

17 Earnings per share

Earnings per share are computed by dividing the net income for the year by the weighted average number of issued and outstanding shares of common stock during the year.

	2025	2024
Net income	185,779,632	118,587,789
Weighted average number of issued and outstanding shares of common stock	6,252,147,771	6,252,147,771
Earnings per share	0.030	0.019

Impact of ESOWN plan is not material to the calculation of earnings per share.

18 Share-based payments

In 2015, the Company introduced the ESOWN Plan (the Plan) wherein grantees (employees within ALLHC Group) may subscribe in whole or in part to the shares awarded to them based on a discounted market price, but in no case lower than the par value, that was determined at grant date. The grantees will pay for the shares subscribed through installments over a maximum period of 10 years. There are no share-based compensation granted for the years ended December 31, 2025 and 2024.

19 Summary of significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements in accordance with PFRS Accounting Standards requires the Company to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses and disclosures of contingent assets and contingent liabilities, at the end of the reporting period. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in judgments and estimates are reflected in the Company financial statements as they become reasonably determinable.

Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcome can differ from these estimates.

19.1 Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements:

Classification of joint venture

The Company's investment in joint venture is structured in separate incorporated entity. The respective joint arrangement agreement requires unanimous consent from all parties to the agreement for the relevant activities identified. The Company and the party to the agreement only have the rights to the net assets of the joint venture through the terms of contractual arrangements.

19.2 Estimates and assumptions

The key estimates and 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 financial year are discussed below. The Company based its assumptions and estimates on parameters available when the company financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes in circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Provision for expected credit losses (ECLs) of receivables and amounts owed by related parties

For dividend receivable amounts owed by related parties, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

There was no provision for expected credit losses on receivables and amounts owned by related parties for the years ended December 31, 2025 and 2024.

Estimating allowances for impairment losses on investments in subsidiaries

The Company reviews investments in subsidiaries for impairment. This includes considering certain indicators of impairment such as the following:

- Significant or prolonged decline in the fair value of the asset;
- Increase in market interest rates or other market rates of return on investments which are likely to affect the discount rate used in calculating the asset's value in use and decrease the asset's recoverable amount materially;
- Significant changes with an adverse effect that have taken place in the technological market, economic or legal environment; and
- Significant changes in the manner of use of the acquired assets or the strategy for overall business.

An impairment loss shall be recognized if, and only if, the recoverable amount of an asset is less than its carrying amount. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Estimating the recoverable value of investment in subsidiaries and an associate entails the determination of future cash flows expected to be generated from the continued use and ultimate disposition of such assets requiring the Company to make estimates and assumptions that can materially affect its company financial statements. Future events could cause the Company to conclude that the investments are impaired. Any resulting impairment loss could have a material adverse impact on the company statement of financial position and company statement of income.

There was no provision for impairment losses on investment in subsidiaries and an associate recognized for the years ended December 31, 2025 and 2024.

Estimating useful lives of property and equipment

The estimated useful lives used as bases for depreciating and amortizing the Company's property and equipment were determined on the basis of management's assessment of the period within which the benefits of these asset items are expected to be realized taking into account actual historical information on the use of such assets as well as industry standards and averages applicable to the Company's assets. The Company estimates the useful lives of its property and equipment based on the period over which the assets are expected to be available for use. The estimated useful lives of property and equipment are reviewed, at least, annually and are updated if expectations differ from previous estimates due to physical wear and tear and technical or commercial obsolescence on the use of these assets.

It is possible that future results of operations could be materially affected by changes in these estimates brought about by changes in the factors mentioned above. A reduction in the estimated useful lives of these assets increases depreciation and amortization and decreases the carrying value of property and equipment.

Determining retirement benefits liability

The cost of defined retirement obligation as well as the present value of the defined benefit obligation is determined using actuarial valuations. The actuarial valuation involves making various assumptions. These include the determination of the discount rates, future salary increases, mortality rates and future retirement increases. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, defined benefit obligation are highly sensitive to changes in these assumptions. These assumptions are reviewed at each end of the reporting period.

In determining the appropriate discount rate, management considers the interest rates of government bonds that are denominated in the currency in which the benefits will be paid, with extrapolated maturities corresponding to the expected duration of the defined benefit obligation.

Further details about the assumptions used are provided in Note 15.

Assessing realizability of deferred income tax assets

The Company reviews the carrying amounts of deferred income tax assets at each end of the reporting period and reduces deferred income tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax assets to be utilized. Judgments and estimation are required to determine the amount of deferred income tax assets that can be recognized based upon the likely timing and level of future taxable income together with future tax planning strategies. However, there is no assurance that the Company will generate sufficient taxable profit to allow all or part of its deferred income tax assets to be utilized.

Temporary differences, NOLCO and MCIT for which no deferred income tax assets were recognized (as the management has assessed that it is not probable that sufficient taxable income will be available for which the benefit of the deferred income tax assets can be utilized) are disclosed in Note 16.

20 Financial instruments

20.1 Fair value information

The following method and assumptions were used to estimate the fair value of each class of financial instruments for which it is practicable to estimate such values as at December 31 are set out below:

	2025		2024	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets at amortized costs				
Cash	5,327,767	5,327,767	12,371,798	12,371,798
Receivables	3,214,438	3,214,438	428,466	428,466
Amounts owed by related parties	1,179,790,214	1,179,790,214	751,142,103	751,142,103
Refundable deposits	1,698,517	1,698,517	1,713,861	1,713,861
Financial assets at FVPL	-	-	2,475,000	2,475,000
Financial assets at FVOCI	21,000,000	21,000,000	24,000,000	24,000,000
	1,211,030,936	1,211,030,936	792,131,228	792,131,228
Financial liabilities				
Accounts payable and accrued expenses	91,085,682	91,085,682	68,304,126	68,304,126
Amounts owed to related parties	1,644,760,020	1,644,760,020	2,018,112,508	2,018,112,508
Short-term debts and long-term debt	2,358,270,952	2,358,270,952	1,257,612,434	1,257,612,434
Subscription payable	1,094,732,918	1,094,732,918	1,094,732,918	1,094,732,918
	5,188,849,572	5,188,849,572	4,438,761,986	4,438,761,986

Cash

The carrying amount of cash approximates its fair values due to the short-term maturity of this financial instrument.

Receivables, Accounts payable and accrued expenses, Short-term debt and Amounts owed to and by related parties

The carrying amounts of the current portion of receivables, accounts payable and accrued expenses and amounts owed by related parties approximate their fair values due to their short-term nature.

Refundable Deposits

The fair values of noncurrent refundable deposits are determined by discounting future cash flows using the applicable rates of similar types of instruments.

Financial assets at FVPL

Listed equity securities designated as financial assets at FVPL are based on their quoted prices as at December 31, 2024. The fair value of the UITF has been determined based on the net asset values as of reporting date.

Financial assets at FVOCI

Equity financial assets that are listed are based on their quoted prices published in markets as at December 31, 2025 and 2024.

Long-term debt

The fair values of long-term debt are estimated using the discounted cash flow methodology using the Company's current incremental borrowing rates and current yield rates for similar borrowings with maturities consistent with those of the liabilities being valued. The discount rates used for 2025 ranged from 5.20% to 6.64% (2024 - 6.56% to 6.64%%).

Subscriptions payable

The carrying amounts of these financial instruments are all subject to normal credit terms which approximate their fair values.

20.2 Fair value hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of the financial instruments by valuation technique:

Listed FVOCI financial assets amounting to P21.00 million as at December 31, 2025 (2024 - P24.00 million) is classified under Level 1.

FVPL amounting to nil as at December 31, 2025 is classified under Level 1.

There have been no reclassifications from Level 1 to Level 2 categories in 2025 and 2024.

20.3 Financial risk management objectives and policies and capital management

The Company has various financial instruments such as cash and cash equivalents, receivables, amounts owed by/to related parties, financial assets at FVPL, financial assets at FVOCI, deposits (included under "Other noncurrent assets") and accounts payable and accrued expenses, and subscription payable. The main purpose of these financial instruments is to raise funds and maintain continuity of funding and financial flexibility for the Company. The Company has other financial liabilities such as accounts payable and accrued expenses which arise directly from its operations.

The main risks from the use of financial instruments are liquidity risk, credit risk and equity price risk. The Company's BOD reviews and approves policies for managing these risks as summarized below.

a. Liquidity risk

Liquidity risk arises when there is a shortage of funds and the Company as a consequence could not meet its maturing obligations.

In the management of liquidity, the Company monitors and maintains a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The tables below summarize the maturity profile of the Company's financial assets and financial liabilities, and lease liability as at December 31 based on contractual undiscounted payments:

2025	On demand	Less than 3 months	3 to 12 months	1 to 5 years	Total
<i>Financial assets at amortized costs</i>					
Cash in bank	5,307,767	-	-	-	5,307,767
Receivables	3,214,438	-	-	-	3,214,438
Amounts owed by related parties	1,179,790,214	-	-	-	1,179,790,214
Refundable deposits	-	-	-	1,698,517	1,698,517
	1,188,312,419	-	-	1,698,517	1,190,010,936
<i>Liabilities:</i>					
Accounts payable and accrued expenses	91,085,082	-	-	-	91,085,082
Amounts owed to related parties	1,644,760,020	-	-	-	1,640,760,020
Subscription payable	-	-	-	1,094,732,918	1,094,732,918
Short-term debt and interest payable	1,159,400,000	-	-	-	1,159,400,000
Long term debt and interest payable	7,043,284	16,610,834	71,775,530	1,644,011,781	1,739,441,429
	2,902,288,386	16,610,834	71,775,530	2,738,744,699	5,725,419,449
2024					
<i>Financial assets at amortized costs</i>					
Cash in bank	12,351,798	-	-	-	12,351,798
Receivables	428,466	-	-	-	428,466
Amounts owed by related parties	751,142,103	-	-	-	751,142,103
Refundable deposits	-	-	-	1,713,861	1,713,861
	763,922,367	-	-	1,713,861	765,636,228
<i>Liabilities:</i>					
Accounts payable and accrued expenses	68,304,126	-	-	-	68,304,126
Amounts owed to related parties	2,018,112,508	-	-	-	2,018,112,508
Subscription payable	-	-	-	1,094,732,918	1,094,732,918
Long term debt and interest payable	7,115,154	16,747,619	72,413,089	1,739,441,430	1,835,717,292
	2,093,531,788	16,747,619	72,413,089	2,834,174,348	5,016,866,844

a. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions and other financial instruments.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

The credit quality per class of financial assets is as follows:

Cash in bank, classified as high grade amounted to P5.31 million as at December 31, 2025 (2024 - P12.36 million)

Receivables, classified as high grade amounted to P0.59 million as at December 31, 2025 (2024 - P0.43 million). The Company classified P23.61 million as impaired as of December 31, 2025 and 2024.

Amounts owed by related parties, classified as high grade amounted to P1,177.38 million as at December 31, 2025 (2024 – P751.14 million).

Deposits, classified as high grade amounted to P1.65 million as at December 31, 2025 and 2024.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for customer with similar loss patterns. Generally, receivables are written off if past due for more than one year and are not subject to enforcement activity.

The tables below show the aging analyses of past due but not impaired receivables per class that the Company held as of December 31. A financial asset is past due when a counterparty has failed to make payment when contractually due.

	Neither past due nor impaired	Past due but not impaired				Impaired	Total
		Less than 30 days	31 to 60 days	61 to 90 days	More than 90 days		
2025							
Loans and receivable:							
Cash in bank	5,307,767	-	-	-	-	-	5,307,767
Receivables	3,214,438	-	-	-	-	23,610,224	26,824,662
Amounts owed by related parties							
Refundable deposits	1,644,760,020	-	-	-	-	-	1,644,760,020
	1,698,517	-	-	-	-	-	1,698,517
	1,654,980,742	-	-	-	-	23,610,224	1,678,590,966
2024							
Loans and receivable:							
Cash	12,327,133	-	-	-	-	-	12,327,133
Receivables	428,466	-	-	-	-	23,610,224	24,038,690
Amounts owed by related parties							
Refundable deposits	751,142,103	-	-	-	-	-	751,142,103
	1,713,861	-	-	-	-	-	1,713,861
	765,611,563	-	-	-	-	23,610,224	789,221,787

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

Cash and cash equivalents, financial assets at FVPL, financial assets at FVOCI - based on the nature of the counterparty.

Receivables - high grade pertains to receivables with no default in payment; medium grade pertains to receivables with up to 3 defaults in payment; and low grade pertains to receivables with more than 3 defaults in payment;

The non-listed financial assets at FVOCI are unrated.

c. Equity price risk

Equity price risk is the risk that the fair values of equities decrease as the result of change in the levels of equity indices and the values of individual stock. The equity price risk exposure arises from the Company's investment in stocks. The equity investments of the Company are categorized as financial assets held at FVOCI.

The basic sensitivity analysis assumes that the stock's standard deviation on its historical yield for the past one year provides the basis for reasonably possible change in prices of the stock investments. The Company measures the sensitivity of its financial assets held at FVOCI by using PSE index fluctuations and its effect to respective share prices.

Management, however, does not foresee exposure to price risk on its financial assets at FVOCI to be significant.

21 Summary of material accounting policies

The material accounting policies that have been used in the preparation of the Company separate financial statements are summarized below. These policies have been consistently applied to all the years presented, unless otherwise stated.

21.1 Basis of preparation

The separate financial statements have been prepared primarily for tax filing purposes, on a historical cost basis, except for equity financial assets measured at fair value and retirement benefit obligation measured at the present value of the defined benefit obligation net of the fair value of the plan assets.

Further, the separate financial statements accounted for its investments in subsidiaries at cost less impairment losses while its investment in joint venture using equity method in accordance with PAS 27.

The separate financial statements are presented in Philippine Peso, which is the Company functional currency. All amounts are rounded to the nearest Peso, unless otherwise indicated.

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

Statement of compliance

The separate financial statements of the Company have been prepared in accordance with Philippine Financial Reporting Standards (PFRS) Accounting Standards. PFRS Accounting Standards comprise the following authoritative literature:

- PFRS Accounting Standards;
- PAS Standards; and
- Interpretation of the Philippine Interpretations Committee (PIC), Standing Interpretations Committee (SIC) and International Financial Reporting Interpretations Committee (IFRIC) which have been approved by the Financial and Sustainability Reporting Standards Council (FSRSC) and adopted by SEC.

The Company also prepares and issues consolidated financial statements for the same period as the company financial statements presented in compliance with PFRS Accounting Standards and these are available for public use at the Company's registered address as stated in Note 1.

21.2 Changes in accounting policies and disclosures

The accounting policies adopted are consistent with those of the previous financial year, except for the adoption of new standards effective as at January 1, 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

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

PAS 1, Presentation of Financial Statements (Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants)

Amendments made to PAS 1 Presentation of Financial Statements in 2020 and 2022 clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the entity's expectations or events after the reporting date (e.g. the receipt of a waiver or a breach of covenant).

The amendments require disclosures if an entity classifies a liability as non-current and that liability is subject to covenants that the entity must comply with within 12 months of the reporting date. The disclosures include:

- the carrying amount of the liability
- information about the covenants, and
- facts and circumstances, if any, that indicate that the entity may have difficulty complying with the covenants.

The amendments also clarify what PAS 1 means when it refers to the 'settlement' of a liability. Terms of a liability that could, at the option of the counterparty, result in its settlement by the transfer of the entity's own equity instrument can only be ignored for the purpose of classifying the liability as current or noncurrent if the entity classifies the option as an equity instrument. However, conversion options that are classified as a liability must be considered when determining the current/non-current classification of a convertible note.

The amendments has been applied retrospectively in accordance with the normal requirements in PAS 8 '*Accounting Policies, Changes in Accounting Estimates and Errors*'.

Amendments to PFRS 16, 'Lease Liability in a Sale and Leaseback'

The amendments specify that, in measuring the lease liability subsequent to the sale and leaseback, the seller-lessee determines 'lease payments' and 'revised lease payments' in a way that does not result in the seller-lessee recognizing any amount of the gain or loss that relates to the right-of-use that it retains. This could particularly impact sale and leaseback transactions where the lease payments include variable payments that do not depend on an index or a rate.

Future Changes in Accounting Policies

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Company does not expect that the future adoption of the said pronouncements will have a significant impact on its separate financial statements. The Company intends to adopt the following pronouncements when they become effective.

Amendments to the Classification and Measurement of Financial Instruments - Amendments to PFRS 9 and PFRS 7 (Effective beginning on or after January 1, 2026)

On May 30, 2024, the IASB issued targeted amendments to PFRS 9 and PFRS 7 to respond to recent questions arising in practice, and to include new requirements not only for financial institutions but also for corporate entities. These amendments:

- clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- add new disclosures for certain instruments with contractual terms that can change cashflows (such as some financial instruments with features linked to the achievement of environment, social and governance targets); and
- update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

The adoption of the above amendments is not expected to have a material impact on the separate financial statements of the Company.

PFRS 18 Presentation and Disclosure in Financial Statements (Effective beginning on or after January 1, 2027)

PFRS 18 will replace PAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though PFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements.

Management is currently assessing the detailed implications of applying the new standard on the Company's separate financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of PFRS 18 will have no impact on the Company's net profit, the Company expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the Company has performed, the following items might potentially impact operating profit:
- Foreign exchange differences currently aggregated in the line item 'other income and other gains/(losses) - net' in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation. In addition, since goodwill will be required to be separately presented in the statement of financial position, the Company will disaggregate goodwill and other intangible assets and present them separately in the statement of financial position.

The Company does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

- management-defined performance measures;
- a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and
- for the first annual period of application of PFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying PFRS 18 and the amounts previously presented applying PAS 1.

From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

The Company will apply the new standard from its mandatory effective date of January 1, 2027.

Retrospective application is required, and so the comparative information for the financial year ending December 31, 2026 will be restated in accordance with PFRS 18.

21.3 Financial instruments

Financial assets

The Company classifies its financial assets in the following categories: (a) financial assets at amortized cost, (b) fair value through profit or loss and (c) fair value through other comprehensive income (OCI). The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition.

The Company's financial assets at amortized cost category comprise of cash (Note 2), receivables (Note 3), amounts owned to related parties (Note 12) and refundable deposits under other current assets (Note 6).

For financial asset at fair value through OCI, the Company had designated listed equity securities as not held for trading where management consider these investments to be strategic in nature.

For financial asset at fair value through profit or loss (FVPL), the Company had designated equity investment as held for trading financial asset where management intended to hold them for the medium to long-term. The Company's financial asset at FVPL consist of investment in redeemable preferred shares (Note 4).

Impairment of financial assets

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

For financial assets such as receivables, refundable deposits and amounts owed by related parties, ECLs are recognized in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

The probability of default is applied to the estimate of the loss arising on default which is based on the difference between the contractual cash flows due and those that the Company would expect to receive. As these are future cash flows, these are discounted back to the time of default using the appropriate effective interest rate, usually being the original effective interest rate (EIR) or an approximation thereof.

The Company considers a financial asset in default generally when contractual payments are 30 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

For cash, the Company applies the low credit risk simplification. The probability of default and loss given defaults are publicly available and are considered to be low credit risk investments. It is the Company's policy to measure ECLs on such instruments on a 12-month basis. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime

Financial liabilities

The Company classifies its financial liabilities in the following categories: (a) financial liabilities at fair value through profit or loss (FVPL); and (b) financial liabilities at amortized cost. Financial liabilities at fair value through profit or loss is composed of two sub-categories: financial liabilities classified as held for trading and financial liabilities designated by the Company as at fair value through profit or loss upon initial recognition.

Management determines the classification of its financial liabilities at initial recognition.

The Company has not designated any financial liability as at fair value through profit or loss.

The Company's financial liabilities at amortized cost consist of accounts payables and accrued expenses (Note 9), amounts owned to related parties (Note 12), and long-term debt (Notes 10)

21.4 Fair Value Measurement

The Company classifies its fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The appropriate level is determined on the basis of the lowest level input that is significant to the fair value measurement.

The fair value of financial instruments traded in active markets is based on quoted market prices at the reporting date. 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. The quoted market price used is the current bid price. These instruments are included in Level 1.

21.5 Investments in joint ventures

Investments in joint ventures are accounted under the equity method of accounting.

Under the equity method, the investments in the investee companies are carried in the statement of financial position at cost plus post-acquisition changes in the Company's share in the net assets of the investee companies, less any impairments in values. The statement of income reflects the share of the results of the operations of the investee companies. The Company's share of post-acquisition movements in the investee's equity reserves is recognized directly in equity. Profits and losses resulting from transactions between the Company and the investee companies are eliminated to the extent of the interest in the investee companies and for unrealized losses to the extent that there is no evidence of impairment of the asset transferred. Dividends received are treated as a reduction of the carrying value of the investment.

21.6 Property and equipment

Property and equipment are carried at cost, net of accumulated depreciation and amortization and any impairment in value.

Depreciation and amortization are calculated on a straight-line basis over the estimated useful lives of the property and equipment as follows:

	Useful life in years
Furniture, fixtures and office equipment	2-5
Leasehold improvements	3-5
Transportation equipment	3-5

Leasehold improvements are amortized on a straight-line basis over their estimated useful lives or the term of the lease, whichever is shorter.

Construction-In-Progress (CIP) are carried at cost which includes construction cost and any directly attributable costs of bringing the asset to its working condition and location for its intended use and will be transferred to PPE once the asset is ready for occupation. CIP is measured based on progress billings from contractors and suppliers.

21.7 Income recognition

The specific recognition criteria described below must be met before income is recognized:

Recoveries

Recoveries represents share in expenses incurred by the Company charges to subsidiaries and is recognized when earned.

Dividend income

Dividend income is recognized when the Company's right to receive the payment is established.

Interest income

For all financial instruments measured at amortized cost, interest income or expense is recorded using the EIR, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset.

21.8 Retirement benefit costs

The Company has a non-contributory defined benefit retirement plan.

The cost of providing benefits under the defined benefit plans is actuarially determined using the projected unit credit method. This method reflects service rendered by employees to the date of valuation and incorporates assumptions concerning the employees' projected salaries.

Defined benefit costs comprise the following:

- Service cost
- Net interest on the net defined benefit liability or asset
- Remeasurements of net defined benefit liability or asset

Service costs which include current service costs, past service costs and gains or losses on non-routine settlements are recognized as "Retirement benefits costs" under personnel costs in the company statement of income. Past service costs are recognized when plan amendment or curtailment occurs. These amounts are calculated periodically by independent qualified actuaries.

Net interest on the net defined benefit liability or asset is the change during the period in the net defined benefit liability or asset that arises from the passage of time which is determined by applying the discount rate based on government bonds to the net defined benefit liability or asset. Net interest on the net defined benefit liability or asset is recognized as "Interest income (expense)" in the company statement of income.

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

Plan assets are assets that are held by a long-term employee benefit fund or qualifying insurance policies. Plan assets are not available to the creditors of the Company, nor can they be paid directly to the Company. Fair value of plan assets is based on market price information. When no market price is available, the fair value of plan assets is estimated by discounting expected future cash flows using a discount rate that reflects both the risk associated with the plan assets and the maturity or expected disposal date of those assets (or, if they have no maturity, the expected period until the settlement of the related obligations). If the fair value of the plan assets is higher than the present value of the defined benefit obligation, the measurement of the resulting defined benefit asset is limited to the present value of economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan.

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

21.9 Leases (Company as a lessee)

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

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated). The Company considers the factors below as the most relevant in assessing the options:

- If there are significant penalties to terminate (or not extend), the Company is typically reasonably certain to extend (or not terminate).
- If any leasehold improvements are expected to have a significant remaining value, the Company is typically reasonably certain to extend (or not terminate).
- Otherwise, the Company considers other factors including historical lease durations and the costs and business disruption required to replace the leased asset.

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

In calculating the present value of lease payments, the Company uses the Incremental Borrowing Rate (IBR) at the lease commencement date if the interest rate implicit in the lease is not readily determinable. To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third-party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third-party financing, and
- makes adjustments specific to the lease, e.g., term, country, currency and security.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less without a purchase option.

21.10 Income tax

Current income tax

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

Current income tax relating to items recognized directly in equity is recognized in equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred income tax

Deferred income tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the end of the reporting period.

22 Supplementary information required by the Bureau of Internal Revenue (BIR)

The following information is presented for purposes of filing with the Bureau of Internal Revenue (BIR) and is not a required part of the basic financial statements. Full amounts presented below are in Philippine Peso.

(i) *Output VAT*

Output VAT declared by the Company for the year ended December 31, 2025 and the revenues upon which the same was based consist of:

	Net sales/receipts	Output VAT
Taxable income		
Sale of services	178,393,081	21,407,170

The Company's sales of services are based on actual collections received, hence, may not be the same as the amounts accrued in the company statement of income.

(ii) *Input VAT*

Movements in input VAT paid for by the Company for the year ended December 31, 2025 are shown below:

Input VAT, December 31, 2024	35,561,611
Current year's domestic purchases and payments for:	
Goods other than for resale or manufacture	47,204
Capital goods not subject to amortization	1,886,476
Services	12,596,822
	50,092,113
Less: Output VAT applied	(21,407,170)
Total input VAT, December 31, 2025	28,684,943

(iii) *Importation*

The Company does not have any purchases of imported goods subject to custom duties and tariff fees for year ended December 31, 2025.

(iv) *Excise tax*

The Company is not engaged in the manufacture or production of certain specified goods or articles subject to excise tax for domestic sale or consumption or for any disposition.

(v) *Documentary stamp tax*

The Company paid documentary stamp taxes amounting to P10,508,877 for the year ended December 31, 2025.

(vi) *Other local and national taxes*

The Company's local and national taxes for the year ended December 31, 2025 consist of:

Listing fee	835,933
Business permit	232,946
Others	1,137,887
	<u>2,206,766</u>

(vii) *Withholding taxes*

Withholding taxes paid and accrued and/or withheld by the Company in 2025 consists of:

	Accrued	Paid	Total
Expanded withholding taxes	14,530,501	13,201,959	27,732,460
Withholding taxes on compensation benefits	11,316,991	11,174,603	22,491,594
	<u>25,847,492</u>	<u>24,376,562</u>	<u>50,224,054</u>

(viii) *Tax assessments*

The Company has not received any assessment notices for the year ended December 31, 2025.

(ix) *Tax cases*

The Company does not have any outstanding tax cases under preliminary investigation, litigation and/or prosecution in courts or bodies outside of the BIR as at and for the year ended December 31, 2025.