

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

INFORMATION STATEMENT PURSUANT TO SECTION 20
OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:
[V] Preliminary Information Statement
[] Definitive Information Statement
2. Name of Registrant as specified in its charter: **GLOBAL-ESTATE RESORTS, INC.**
3. Province, country or other jurisdiction of incorporation or organization: **Metro Manila, Philippines**
4. SEC Identification Number: **AS094-004462**
5. BIR Tax Identification Code: **000-426-523-000**
6. **9/F Eastwood Global Plaza, Palm Tree Avenue**
Eastwood City, Bagumbayan, Quezon City **1110**
Address of principal office Postal Code
7. Registrant's telephone number, including area code: **(632) 5318-4374**
8. Date, time and place of the meeting of security holders

Date : 25 June 2026
Time : 9:00 a.m.
Place : NO PHYSICAL MEETING. The meeting will be conducted through remote communication via live stream access at <https://geri.com.ph/asm2026/>. The chairperson of the meeting will preside from Quezon City.
9. Approximate date on which the Information Statement is first to be sent or given to security holders:
03 June 2026
10. *[No Proxy Solicitations]*
11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA (information on number of shares and amount of debt is applicable only to corporate registrants):

Title of Each Class	Number of Shares of Common Stock Outstanding or Amount of Debt Outstanding
Common shares	10,986,000,000¹
12. Are any or all of registrant's securities listed on a Stock Exchange?
Yes ☒ No ☐
The Registrant's common shares are listed on the Philippine Stock Exchange.

¹ As of 14 May 2026.



GLOBAL-ESTATE RESORTS, INC.

NOTICE AND AGENDA OF THE ANNUAL STOCKHOLDERS' MEETING

TO ALL STOCKHOLDERS:

NOTICE IS HEREBY GIVEN that the 2026 Annual Meeting of Stockholders (the “**Annual Meeting**”) of **GLOBAL-ESTATE RESORTS, INC.** (the “**Company**”) will be held virtually on 25 June 2026 at 9:00 a.m., through the link <https://geri.com.ph/asm2026/>, which may be accessed through the Company’s website, with the following agenda:

- I. Call to Order
- II. Certification of Notice and Quorum
- III. Approval of the Minutes of the Previous Annual Stockholders’ Meeting
- IV. Annual Report of Management
- V. Appointment of External Auditor
- VI. Ratification of the Acts and Resolutions of the Board of Directors, Board Committees and Corporate Officers
- VII. Election of Directors
- VIII. Other Matters
- IX. Adjournment

The explanation for each item in the Agenda is provided in Appendix 1 of the Information Statement.

Stockholders of record as of **26 May 2026** will be entitled to notice of, and to vote at, the Annual Meeting.

For the convenience of the stockholders and to allow greater opportunity for participation, the Annual Meeting of the Company shall be held virtually. Stockholders may only participate through remote communication, in absentia, or by proxy.

Stockholders intending to participate in the Annual Meeting must register no later than 5:00 p.m. of **08 June 2026**, in accordance with the procedure set forth in Appendix 2 of the Information Statement.

Votes may be cast only through duly accomplished ballots/proxies, which must be submitted no later than 5:00 pm on **11 June 2026** either by delivery to the Office of the Corporate Secretary at 9th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City or by e-mail at corpsecretary@global-estate.ph. A sample ballot/proxy form, which need not be notarized, is enclosed in the Information Statement. Validation of the ballots and proxies shall be held at 5:00 p.m. on **15 June 2026**.

The Information Statement, Management Report, SEC Form 17A and other pertinent documents and information on the Annual Meeting are available through the Company’s website and the PSE Electronic Disclosure Generation Technology (PSE EDGE) portal.

For any questions and comments to the Board of Directors and Management, the same may be sent in advance or during the meeting via email at corpsecretary@global-estate.ph.

MARIA CARLA T. UYKIM
Corporate Secretary

Appendix 1
EXPLANATION OF AGENDA ITEMS FOR STOCKHOLDERS' APPROVAL

I. Call to Order

The Chairman of the Board will formally open the Annual Meeting at approximately 9:00 o'clock in the morning.

II. Certification of Notice of Quorum (and Rules of Conduct and Procedures)

The Corporate Secretary will certify that the written notice for the meeting was duly sent to stockholders of record, including the date of publication and the newspapers where the notice was published. The Corporate Secretary will also certify that a quorum exists for a valid transaction of business, and the stockholders of record of the majority of the outstanding capital stock of the Company, present by proxy, remote communication or voting in absentia, shall constitute a quorum.

For the detailed registration and voting procedure in the Annual Meeting, please refer to the Requirements and Procedure for Voting and Participation in the 2026 Annual Stockholders' Meeting (the "**Procedure**") provided in **Appendix "2"** of this Information Statement. The Corporate Secretary will also explain the Procedure during the meeting.

III. Approval of the Minutes of the Previous Annual Stockholders' Meeting

The Minutes of the Stockholders' Meeting held on 26 June 2025, a copy of which is available at the Company's website – <https://geri.com.ph>, shall be presented for stockholders' approval. Below is the proposed resolution:

"RESOLVED, that the Minutes of the Annual Stockholders Meeting of the Company held on 26 June 2025 be approved."

IV. Annual Report of Management

The President, Atty. Monica T. Salomon, will report on the performance of the Company in 2025 and the Company's outlook for 2026.

V. Appointment of External Auditor

The appointment of the external auditor, as evaluated and recommended by the Audit Committee, for the ensuing year shall be presented for stockholders' approval. The external auditor conducts an independent verification of the Company's financial statements and provides an objective assurance on the accuracy of its financial statements.

The profile of the external auditor is provided in this Information Statement. Below is the proposed resolution:

"RESOLVED, as recommended by the Audit Committee and endorsed by the Board of Directors, that Punongbayan & Araullo be appointed as the External Auditor of the Company for the calendar year 2026."

VI. Ratification of the Acts and Resolutions of the Board of Directors, Board Committees and Corporate Officers

The ratification of all the acts of the Board and its committees and the acts of management to implement resolutions of the Board or its committees or made in the ordinary conduct of business since the annual stockholders' meeting on 26 June 2025 until 25 June 2026 will be sought for this meeting. These include activities undertaken in the usual course of business of the Company such as but not limited to approval of

agreements, projects, transactions with various banks, utility companies and other suppliers; those relating to real estate properties such as sale and lease; and matters subject of disclosure to the Securities and Exchange Commission and The Philippine Stock Exchange, Inc. Below is the proposed resolution:

***“RESOLVED,** that all acts of the Board of Directors, Board Committees and Corporate Officers of the Company since the Annual Stockholders’ Meeting held on 26 June 2025 until the date of this meeting, as reflected in the minutes of the meetings of the Board, as well as financial statements and records of the Company be approved, confirmed and ratified.”*

VII. Election of Directors

Nominees for election of nine (9) members of the Board of Directors, including two (2) independent directors, as evaluated by the Corporate Governance Committee to have all the qualifications and competence to effectively perform the roles and responsibilities of the Board, and none of the disqualifications to serve as members of the Board, will be presented for election by the stockholders.

The profiles of the nominees to the Board of Directors are provided in this Information Statement. Below is the proposed resolution:

***“RESOLVED,** that the stockholders hereby approve the election of the following nominees as members of the Board of Directors to serve as such beginning today until their successors are elected and qualified:*

1. Andrew L. Tan
2. Monica T. Salomon
3. Lourdes T. Gutierrez-Alfonso
4. Kevin Andrew L. Tan
5. Ferdinand T. Santos
6. Wilbur L. Chan
7. Giancarlo Ng
8. Ma. Milagros C. Yuhico (Independent Director)
9. Alejo L. Villanueva, Jr. (Independent Director)”

VIII. Other Matters

Other concerns or matters raised by stockholders will be discussed.

IX. Adjournment

Upon determination that there are no other matters to be considered, the meeting shall be adjourned.

Appendix “2”

GLOBAL-ESTATE RESORTS, INC.

REQUIREMENTS AND PROCEDURE FOR VOTING AND PARTICIPATION IN THE 2026 ANNUAL STOCKHOLDERS’ MEETING

Global-Estate Resorts, Inc. (the “Company”) will be conducting its 2026 Annual Stockholders Meeting (the “ASM”) on **25 June 2026 at 9:00 a.m.**, by way of a virtual meeting through remote communication.

Only stockholders of record as of **26 May 2026** who have successfully registered for the meeting shall be able to participate and vote in the ASM. Please refer to the following requirements and procedure:

I. ONLINE REGISTRATION

A. Stockholders may register not later than **5:00 p.m. of 08 June 2026** to signify his/her/its intention to participate in the ASM by remote communication.

B. To register, all stockholders shall submit the following requirements to the Office of the Corporate Secretary via email at corpsecretary@global-estate.ph:

i. For individual stockholders holding stock certificates in their names:

- a. Scanned copy of stock certificate issued in the name of the stockholder/s (if applicable);
- b. Valid email address and active contact number;
- c. Scanned copy of valid government-issued identification card;
- d. Recent photo of stockholder;
- e. Proxy form, if any; and
- f. Scanned copy of the representative’s valid government-issued identification card, as named in the proxy form, if any.

ii. For Stockholders with Joint Accounts –

- a. Authorization letter signed by all stockholders indicating the name of the person authorized to cast the votes;
- b. Documents required under items I.B.i.(a),(b),(c),(d),(e),(f) for the authorized stockholder.

iii. For Stockholders under PCD Participant/Brokers Account or holding ‘Scripless Shares’-

- a. Certification from the stockbroker stating the full account name, reference number or account number and an express statement that he/she is a beneficial stockholder of the Company holding such number of shares as of 26 May 2026;
- b. Documents required under items I.B.i.(a),(b),(c),(d),(e),(f).

For Corporate Stockholders –

- a. Secretary’s Certificate attesting to the authority of the representative to vote the shares on behalf of the corporate stockholder;
- b. Documents required under items I.B.i.(a),(b),(c),(d),(e),(f) for the authorized representative.

C. The documents submitted will be subject to verification and validation by the Office of the Corporate Secretary. The validation process will be completed by the Company no later than 10 June

2026. Once validated, the stockholder will receive an email that his/her/its account has been verified and shall provide instructions for the stockholder's access to the ASM link.

D. Only the stockholders who have registered as described-above and have been validated to be stockholders of record of the Company will be considered in determining the quorum.

II. VOTING

A. Duly registered stockholders have the option to vote for the matters contained in the agenda for the ASM through duly accomplished ballots/proxies submitted no later than 5:00 pm on 11 June 2026 to the Office of the Corporate Secretary at 9th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City or by e-mail at corpsecretary@global-estate.ph. Sample ballot/proxy is included in the Information Statement that is made available to the stockholders through the Company's website and in the PSE Edge portal.

B. For items other than Election of Directors, the registered stockholder has the option to vote: In Favor of, Against, or Abstain. The vote is considered cast for all the registered stockholder's shares.

C. For the Election of Directors, the registered stockholder may vote for all nominees, not vote for any of the nominees, or vote for some nominees only, in such number of shares as preferred by the stockholder, provided that the total number of votes cast shall not exceed the number of shares owned, multiplied by the number of directors to be elected. The total number of votes the stockholder is allowed to cast shall be based on the number of shares he/she/ it owns.

D. Registered stockholders shall have until 5:00 p.m. of **11 June 2026** to cast their votes. Beyond this period, voting shall no longer be allowed. Stockholders will not be allowed to cast their votes on the day of the ASM.

E. The Office of the Corporate Secretary, together with the designated tellers and election inspectors appointed for the ASM, shall validate, count and tabulate, at 5:00 p.m. on 15 June 2026, all valid and confirmed votes that were submitted by the registered stockholders.

F. Voting results shall be announced by the Corporate Secretary during the ASM.

III. Other Matters

A. For any questions and comments to the Board of Directors and Management, stockholders may send them in advance or during the meeting via email at corpsecretary@global-estate.ph. The Company will exert best efforts to address them during the meeting.

B. The proceedings of the ASM will be recorded.

C. Personal information sent to the Company in connection with the ASM will be collected, stored, processed and used solely for the purposes of the ASM and in accordance with the Data Privacy Act of 2012 and relevant rules and regulations.

D. For any questions and concerns, stockholders may visit GERI's website at www.geri.com.ph or contact the Office of the Corporate Secretary via e-mail at corpsecretary@global-estate.ph.

BALLOT/ PROXY
GLOBAL-ESTATE RESORTS, INC.
Annual Stockholders' Meeting
25 June 2026 at 9:00 in the morning

Please mark as applicable:

☐ Vote by Ballot: The undersigned stockholder of Global-Estate Resorts, Inc. ("Company") casts his/her/its vote on the Agenda items for the Company's 2026 Annual Stockholders' Meeting ("Meeting")

☐ Vote by Proxy: The undersigned stockholder(s) of the Company hereby appoint/s _____ or in his absence, the Chairman of the Meeting, as proxy of the undersigned stockholder(s) at the Meeting and/or at any postponement or adjournment thereof, and/or any annual stockholders' meeting of the Company, which appointment shall not exceed five (5) years from date hereof.

The undersigned stockholder(s) hereby votes, or direct/s the said proxy to vote, all shares on the agenda items set forth below as expressly indicated with "X" below:

ITEM NO.	SUBJECT	ACTION		
		FOR	AGAINST	ABSTAIN
3	Approval of the Minutes of the Annual Stockholders' Meeting held on 26 June 2025			
5	Appointment of Punongbayan & Araullo as External Auditor			
6	Ratification of the Acts and Resolutions of the Board of Directors, Board Committees and Corporate Officers			
7	Election of Directors (including Independent Directors)			
	Andrew L. Tan			
	Lourdes T. Gutierrez-Alfonso			
	Monica T. Salomon			
	Kevin Andrew L. Tan			
	Wilbur L. Chan			
	Ferdinand T. Santos			
	Giancarlo C. Ng			
	Ma. Milagros C. Yuhico - Independent Director			
	Alejo L. Villanueva, Jr. - Independent Director			

PRINTED NAME OF
SHAREHOLDER

SIGNATURE OF SHAREHOLDER/
AUTHORIZED SIGNATORY

NUMBER OF SHARES
TO BE REPRESENTED

DATE

This ballot/ proxy should be submitted no later than 5:00 p.m. of **11 June 2026** to the Office of the Corporate Secretary at 9th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City or by email to corpsecretary@global-estate.ph. It must be accompanied by a valid government-issued ID with a photo (for individuals) and for corporations or partnerships, a secretary's certificate evidencing authority to sign this ballot/proxy. This ballot/proxy, which need not be notarized, shall be validated at 5:00 p.m. on 15 June 2026.

The proxy, when properly executed will be voted in the manner as directed herein by the stockholder. If no instruction is given, the proxy will be voted for the election of all nominees and for the approval of all matters stated above, and for such other matters as may properly come before the meeting in the manner described in the Information Statement. A stockholder giving a proxy has the power to revoke it at any time before the right granted is exercised.

By providing personal information in connection with the ballot/proxy, the stockholder consents to its collection, processing and storage solely for the purposes of the Meeting and in accordance with the Data Privacy Act of 2012 and relevant rules and regulations.s

GLOBAL-ESTATE RESORTS, INC.

INFORMATION STATEMENT

PART I
INFORMATION REQUIRED IN INFORMATION STATEMENT

A. GENERAL INFORMATION

ITEM 1. Date, Time and Place of Meeting of Security Holders

Date: 25 June 2026

Time: 9:00 a.m.

Place: To be conducted virtually through remote communication, with access via <https://geri.com.ph/asm2026/>.

The chairperson of the 2026 Annual Stockholders' Meeting (the "ASM" or the "Annual Meeting") will preside from Quezon City.

Principal Office: 9/F Eastwood Global Plaza, Palm Tree Avenue Eastwood City, Bagumbayan, Quezon City, 1110

- (b) The approximate date on which the Information Statement will be made accessible to the security holders in the Company's website is on or before **03 June 2026**.

THE COMPANY IS NOT SOLICITING ANY PROXY. WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE NOT BEING REQUESTED TO SEND US A PROXY.

ITEM 2. Dissenters' Right of Appraisal

There are no matters to be acted upon or proposed corporate action in the agenda for the Annual Meeting that may give rise to possible exercise by a dissenting stockholder of its appraisal rights under Title X of the Revised Corporation Code of the Philippines (the "RCC").

A stockholder has the right to dissent and demand payment of the fair value of his shares in the following instances stated in the RCC, to wit:

- (1) In case any amendment to the Articles of Incorporation has the effect of changing or restricting the rights of any stockholder or class of shares, or authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence (*Section 80*);
- (2) In case of sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets (*Section 80*);
- (3) In case of merger or consolidation of the Company with or into another entity (*Section 80*); and,
- (4) In case of any investment of corporate funds for any purpose other than the primary purpose of the Corporation (*Section 80*).

The procedures and conditions for the exercise by a dissenting stockholder of his appraisal right shall be in accordance with Section 81 of the RCC, to wit:

- (1) A stockholder voted against a proposed action of the Company;
- (2) The dissenting stockholder shall make a written demand on the Company within thirty (30) days after the date on which the vote was taken for payment of the fair value of his shares. The failure of the stockholder to make the demand within the thirty (30)-day period shall be deemed a waiver of his appraisal right;
- (3) If the proposed corporate action is implemented, the Company shall pay to such shareholder, upon surrender of the corresponding certificates of stock representing his shares within ten (10) days after demanding payment for his shares (*See Section 86*), the fair market value thereof as of the day prior to the date on which the vote was taken;
- (4) If the dissenting stockholder and the Company cannot agree on the fair value of the shares within sixty (60) days from the date of shareholders' approval of the corporate action, then the fair value of the shares shall be determined and appraised by three (3) disinterested persons, one (1) of whom shall be named by the dissenting shareholder, one (1) by the Company and a third to be named by the two already chosen. The findings of the majority of the appraisers shall be final and their award shall be paid by the Company within thirty (30) days after such award.
- (5) No payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings in its books to cover such payment.
- (6) Upon payment of the agreed or awarded price, the stockholder shall transfer his shares to the Company.

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

- (a) No director, officer, or nominee for election as director, or the associate of any of the foregoing, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter which will be acted upon during the Annual Meeting, other than election to office.
- (b) No director has informed the Company in writing that he intends to oppose any action to be taken by the Company at the Annual Meeting.

B. CONTROL AND COMPENSATION INFORMATION

ITEM 4. Voting Securities and Principal Holders Thereof

- (a) *Number of Shares Outstanding*

The Company has 10,986,000,000 common shares outstanding as of 14 May 2026. Each of the common shares is entitled to one (1) vote with respect to all matters to be taken up during the Annual Meeting.

- (b) *Record Date*

The Board of Directors (the "**Board**") of the Company has set **26 May 2026** as the record date for determining the stockholders entitled to notice and to vote at the Annual Meeting. Accordingly, only stockholders as of such record date are entitled to notice and to vote at the Annual Meeting.

- (c) *Manner of Voting*

Pursuant to Sections 23 and 57 of the RCC and SEC Memorandum Circular No. 06, Series of 2020 allowing voting through remote communication or in absentia, stockholders may now participate in the Annual Meeting by remote communication and cast their votes in absentia. A stockholder may cast his/her votes by remote communication or in absentia not later than **5:00 p.m. of 11 June 2026**.

A stockholder voting remotely or in absentia shall be deemed present for purposes of quorum. Please refer to **Appendix “2”** on the Requirements and Procedure for Voting and Participation for complete information on voting via remote participation or voting in absentia, as well as on how to join the Annual Meeting.

(d) *Cumulative Voting Rights*

Each holder of common stock shall have cumulative voting rights with respect to the election of the members of the Board of the Company. Cumulative voting entitles each stockholder to cumulate his shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of his shares shall equal, or distribute them on the same principle among as many nominees as he shall see fit; provided, that the total number of votes cast by him shall not exceed the number of shares owned by him multiplied by the number of directors to be elected.

(e) *Security Ownership of Certain Record and Beneficial Owners and Management*

(i) Security ownership of certain record and beneficial owners

Security ownership of certain record and beneficial owners owning more than five percent (5%) of any class of the Company’s voting securities as of 14 May 2026:

SECURITY OWNERSHIP OF CERTAIN RECORD AND BENEFICIAL OWNERS

Title of Class	Name, address of record owner and relationship with issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizen-ship	No. of Shares Held	Percent (Based on total shares)
Common Shares	Megaworld Corporation 30 th Floor, Alliance Global Tower, 36 th Street cor. 11 th Avenue, Uptown Bonifacio, Taguig City 1634	Megaworld Corporation ²	Filipino	9,062,994,139	82.49%
Common shares	PCD Nominee Corporation (Filipino) 6/F MKSE Bldg. Ayala Avenue, Makati City	Various shareholders ³	Filipino	1,190,218,890	10.83%

Other than the persons identified above, there are no other beneficial owners of more than five percent (5%) of the outstanding capital stock that are known to the Company.

² Includes direct (9,035,638,139) and indirect (27,356,000) shares. The indirect shares were acquired on April 19, 2024 as disclosed in SEC Form 23-B of Megaworld Corporation. Mr. Andrew L. Tan is usually designated as its representative, with authority to vote its shares at meetings of the stockholders.

³ Under PCD Nominee Corporation, there are no person/s who are beneficial owner/s of, or who has voting power or investment power (pursuant to a voting trust or other similar agreement) with respect to shares comprising more than five percent (5%) of the outstanding capital stock of the Corporation.

Security ownership of Management

Security ownership of directors and executive officers of the Company as of 14 May 2026:

SECURITY OWNERSHIP OF MANAGEMENT

Title of Class	Name of Beneficial Owner	Amount and nature of Beneficial Ownership	Citizenship	Percent of Class
Common	Andrew L. Tan	2 (direct)	Filipino	0.00%
Common	Lourdes T. Gutierrez-Alfonso	2 (direct)	Filipino	0.00%
Common	Monica T. Salomon	1 (direct)	Filipino	0.00%
Common	Kevin Andrew L. Tan	2 (direct)	Filipino	0.00%
Common	Ferdinand T. Santos	30,007 (direct)	Filipino	0.00%
Common	Wilbur L. Chan	2,611,826 (direct)	Filipino	0.00%
Common	Giancarlo S. Ng	1 (direct)	Filipino	0.00%
Common	Cresencio P. Aquino	1 (direct)	Filipino	0.00%
Common	Ma. Milagros C. Yuhico	1,000 (direct)	Filipino	0.00%
Other Executive Officers				
Common	Lailani V. Villanueva	0	Filipino	n/a
Common	Marie Emelyn Gertrudes C. Martinez	0	Filipino	n/a
Common	Karen B. Maderazo	0	Filipino	n/a
Common	Felipe L. Mangubat, Jr.	0	Filipino	n/a
Common	Allan D. Espiritu	0	Filipino	n/a
Common	Maria Carla T. Uykim	0	Filipino	n/a
Common	Nelileen S. Baxa	0	Filipino	n/a
Common	Kirk P. Abot	0	Filipino	n/a

There is no indirect beneficial ownership of the named directors and officers.

(ii) Voting Trust Holders of 5% or more

The Company has no knowledge of persons holding more than five percent (5%) of its voting securities under a voting or similar agreement.

(f) Changes in Control

There has been no change in the control of the Company since it became a subsidiary of Megaworld Corporation.

ITEM 5. Directors and Executive Officers

(a) Incumbent Directors, Independent Directors, and Executive Officers

The following are the names, ages, citizenship and periods of service of the incumbent directors, including the independent directors of the Company, who are elected annually by the stockholders:

Name	Age	Citizenship	Period during which individual has served as such
Andrew L. Tan	76	Filipino	12 January 2011 up to present
Lourdes T. Gutierrez-Alfonso	62	Filipino	30 June 2011 up to present
Monica T. Salomon	57	Filipino	01 March 2015 to present
Kevin Andrew L. Tan	46	Filipino	26 June 2014 up to present
Wilbur L. Chan	66	Filipino	12 January 2011 up to present
Ferdinand T. Santos	75	Filipino	1994 up to present
Giancarlo C. Ng	48	Filipino	28 August 2020 to present
Ma. Milagros C. Yuhico (Independent Director)	69	Filipino	26 June 2025 up to present
Cresencio P. Aquino (Independent Director)	72	Filipino	2010 to 2012; February 2018 up to present

The following are the names, ages, positions, citizenship and periods of service of the incumbent executive officers of the Company who are elected annually by the Board during its organizational meeting:

Name	Age	Citizenship	Position	Period during which individual has served as such
Andrew L. Tan	76	Filipino	Chairman & CEO	12 January 2011 up to present
Monica T. Salomon	57	Filipino	President	01 March 2015 to present
Lourdes T. Gutierrez - Alfonso	62	Filipino	Managing Director	01 March 2015 to present
Wilbur L. Chan	66	Filipino	Director for Clubs and Hotels	12 January 2011 to present
Lailani V. Villanueva	46	Filipino	Chief Financial Officer & Compliance Officer	July 2013 up to present
			Treasurer	March 2019 up to present
			Corporate Information Officer	June 2019 up to present
Maria Carla T. Uykim	49	Filipino	Corporate Secretary and Assistant Corporate Information Officer	April 2019 to present
Nelileen S. Baxa	47	Filipino	Assistant Corporate Secretary	08 October 2020 up to present
Allan D. Espiritu	45	Filipino	Chief Audit Executive and Chief Risk Officer	27 June 2024 up to present
Marie Emelyn Gertrudes C. Martinez	61	Filipino	EVP for Legal Division	February 2012 up to present
Felipe L. Mangubat Jr.	60	Filipino	VP – Head of Operations Management	January 2020 to present

Karen B. Maderazo	47	Filipino	VP for HR and Corporate Administration	October 2013 up to present
Kirk P. Abot	56	Filipino	Vice President and Head of Planning and Design of the Company	July 2023 up to present

Brief Background of the Directors and Officers

The business experiences of the Directors and Executive Officers of the Company for the last five (5) years are as follows:

Board of Directors:

ANDREW L. TAN, Filipino, 76 years old, was first elected as Chairman of the Board and Chief Executive Officer of the Company on 12 January 2011. He is also the Chairman of the Board Executive Committee of the Company. Dr. Tan serves as Chairman of Board of Megaworld Corporation (“Megaworld”), Alliance Global Group, Inc. and Empire East Land Holdings, Inc., which are all publicly listed companies. He pioneered the live-work-play-learn model in real estate development through Megaworld’s integrated township communities, fueling the growth of the business process outsourcing industry. He embarked on the development of integrated tourism and leisure estates through the Company and is the Chairman, President and CEO of Twin Lakes Corporation; Chairman and CEO of Southwoods Ecocentrum Corporation; and Chairman of Southwoods Mall, Inc. and Oceanfront Properties, Inc., all subsidiaries of the Company. He also serves in the boards of other Megaworld subsidiaries including Eastwood Cyber One Corporation, Megaworld Newport Property Holdings, Inc. and Richmonde Hotel Group International Limited. He is also the Chairman Emeritus of Emperador Inc., a publicly-listed company that owns Emperador Distillers, Inc., the leading brandy manufacturer and distributor in the Philippines, and Megaworld Foundation, Inc., Megaworld’s corporate social responsibility arm, which primarily focuses on the promotion of education through scholarship programs for financially handicapped but deserving students, and supports causes that promote poverty alleviation, people empowerment, social justice, good governance and environmental conservation. He is a director of Travellers International Hotel Group, Inc., which owns Newport World Resorts Manila, and the following food and beverage companies: The Bar Beverage, Inc., Alliance Global Brands, Inc. and Golden Arches Development Corporation. Dr. Tan graduated magna cum laude from the University of the East with a Bachelor of Science degree in Business Administration. In 2011, Dr. Tan was conferred by the University of the East the degree of Doctor of Humanities, honoris causa.

Committee Membership:

- Chairman, Executive Committee

LOURDES T. GUTIERREZ-ALFONSO, Filipino, 62 years old, was first elected as Director of the Company on 30 June 2011. Effective 01 March 2015, she was appointed as the Company’s Managing Director to oversee the Company’s business performance and lead in the formulation of overall strategic direction, plans, and policies for the Company. She is also a member of the Board Executive Committee of the Company. She is also the Chairman of Global Estates Properties, Inc., Global-Estate Golf and Development, Inc., Southwoods Mall, Inc., and Megaworld Global Estates, Inc. and director of Twin Lakes Corporation and Southwoods Ecocentrum Corporation, which are all subsidiaries of the Company. She is currently the President of publicly-listed Megaworld Corporation and is a member of Megaworld’s Management Executive Committee. She is concurrently the Chairman of First Oceanic Property Management, Inc. Belmont Newport Luxury Hotels, Inc., Megaworld Global-Estate, Inc., and Savoy Hotel Manila, Inc. She likewise serves as a director of publicly listed-companies, Alliance Global

Group, Inc. and MREIT, Inc. and several other companies including Suntrust Properties, Inc., Megaworld Cebu Properties, Inc., Megaworld Resort Estates, Inc., Megaworld Oceantown Properties, Inc., Eastwood Cyber One Corporation, Mactan Oceanview Properties and Holdings, Inc., Megaworld Bacolod Properties, Inc., Davao Park District Holdings, Inc. and Prestige Hotels & Resorts, Inc. She is also a trustee and Corporate Secretary of Megaworld Foundation, Inc. Ms. Gutierrez-Alfonso is a certified public accountant by profession and has extensive experience in real estate and a strong background in finance and marketing. She graduated Cum Laude from Far Eastern University with the degree of Bachelor of Science major in Accounting.

Committee Membership:

- Executive Committee

MONICA T. SALOMON, Filipino, 57 years old, has served as Director and President of the Company since 01 March 2015. She is also a member of the Board Executive Committee of the Company. She occupies various roles in several subsidiaries of the Company: Chairman of Golf force, Inc.; Director and President of Global Estates Properties, Inc., Global-Estate Golf and Development, Inc., Global Homes and Communities, Inc., Southwoods Mall, Inc., Megaworld Global-Estates, Inc., and Southwoods Ecocentrum Corporation; and director of Twin Lakes Corporation and Integrated Resorts Property Management, Inc. She is also a Director and Corporate Secretary of the Luxury Global Hotels and Leisure, Inc., and Director and CFO of Megaworld Foundation, Inc. Prior to joining GERI, she was the Head of Megaworld's Corporate Management Division and spearheaded strategic real estate acquisitions and joint ventures for the Megaworld Group. She was also a member of Megaworld's Management Executive Committee, which is responsible for the development and execution of the Group's corporate strategies, policies and initiatives. She obtained her Bachelor of Laws degree in 1994 from the University of the Philippines.

Committee Membership:

- Executive Committee

KEVIN ANDREW L. TAN, Filipino, 46 years old, was elected as Director of the Company on 26 June 2014. He is also a member of the Board Risk Oversight Committee and Audit Committee of the Company. He is the Chief Executive Officer, President, Vice Chairman and director of Alliance Global Group, Inc.; Executive Director and Executive Vice-President and Chief Strategy Officer of Megaworld Corporation; President and Chief Executive Officer of MREIT, Inc; and director of Emperador Inc. and Empire East Land Holdings, Inc., all publicly-listed companies. He is also a director of Global Estates Properties, Inc., Global-Estate Golf and Development, Inc., Southwoods Mall, Inc., Southwoods Ecocentrum Corp., and Twin Lakes Corporation, which are subsidiaries of the Company. He also serves as a director of several companies within the Alliance Global Group including Emperador Distillers, Inc., Alliance Global Brands, Inc., Anglo Watsons Glass, Inc., Yorkshire Holdings, Inc., The Bar Beverage, Inc., and Emperador Brandy, Inc. He is also the Chairman of Megaworld Foundation, Inc. and the Chairman and President of Alliance Global Infracorp. Development, Inc. and Agile Digital Ventures, Inc. He has extensive experience in retail leasing, marketing, and operations having previously held the position of Senior Vice President for Commercial Division which markets and operates the Megaworld Lifestyle Malls including but not limited to Eastwood Mall, Venice Piazza at McKinly Hill, Newport Mall, Lucky Chinatown Mall and Uptown Mall. Mr. Tan holds a bachelor's degree in Business Administration major in Management, from the University of Asia and the Pacific.

Committee Membership:

- Audit Committee
- Board Risk Oversight Committee

FERDINAND T. SANTOS, Filipino, 75 years old, was elected as Director of the Company since its incorporation in 1994. He served as the Company's President until his retirement on 28 February 2015. He is also the President of several companies, such as but not limited to Fil-Estate Management Inc. , Metro Global Holdings, Inc., MRT Development Corporation, Fairways & Bluewater Resort Golf & Country Club, Inc., Newport Hills Golf Club, Inc., St. Benedict Realty & Development Inc., Royal Jade Memorial Inc., and Mt. Zion Memorial, Inc. He graduated from Arellano University with Bachelor of Arts degree in 1970 and took his Bachelor of Laws at San Beda College where he graduated Valedictorian and Magna Cum Laude in 1974. He was a topnotcher in the 1974 Philippine Bar (2nd Place).

WILBUR L. CHAN, Filipino, 66 years old, was first elected as Director of the Company on 12 January 2011. He also serves as Director for Hotels and Clubs of the Company and is currently the Chairman of Fairways & Bluewater Resorts Golf & Country Club, Inc. and Global Newcoast Development Corporation. He is also a director of Southwoods Ecocentrum Corporation and Uni-Asia Properties, Inc. He has a Master's Degree in Business Management from the Asian Institute of Management, a Master's Degree in National Security Administration (Silver Medalist) from the National Defense College of the Philippines and a Degree in Command & General Staff Course at Command & General Staff College.

GIANCARLO C. NG, Filipino, 48 years old, was first elected as Director of the Company on 28 August 2020. He is a member of the Corporate Governance Committee and Related Party Transactions Committee of the Company. He is the Sales and Operations Support Vice-President of Progreen Agricorp, Inc. He has 20 years of leadership roles in the areas of Information Technology consulting and customer support. He is experienced in strategic and tactical planning, client relationship management, corporate governance, and change management. Mr. Ng holds a Bachelor of Arts in Humanities and a degree of Master of Science in Information Technology, having graduated Magna Cum Laude in 2000 from the University of Asia and the Pacific.

Committee Membership:

- Corporate Governance Committee
- Related Party Transactions Committee

MA. MILAGROS C. YUHICO, Filipino, 69 years old, has served as Independent Director of the Company since 26 June 2025. She is the Chairman of the Corporate Governance Committee and member of the Board Risk Oversight Committee, Audit Committee and Related Party Transactions Committee of the Company. She is likewise an Independent Director of Megaworld Corporation since 2024 and MREIT Property Managers, Inc. ("MPMI"), since 2021. Prior to joining MPMI, Ms. Yuhico rose from the ranks in Philippine Veterans Bank, serving for 20 years and ultimately served as First Vice President and Head of the Trust and Investment Division. She also held various positions in Peninsula Development Bank, Campomanes Realty and Development Corporation, CAPLIFE (representing CAP Trust Fund), and BIC Investment Corporation (also representing CAP Trust Fund). Ms. Yuhico is a Certified Public Accountant, with extensive experience in the fields of accounting, audit, banking, trust and finance, having held both executive and advisory roles in these fields. She earned her Bachelor of Science degree from De La Salle University and completed a Special Course for Trust at the Trust Institute Foundation of the Philippines.

Committee Membership:

- Chairman, Corporate Governance Committee
- Audit Committee
- Related Party Transactions Committee
- Board Risk Oversight Committee

CRESENCIO P. AQUINO, Filipino, 72 years old, was elected as Independent Director of the Company on 15 February 2018. He is the Chairman of the Board Risk Oversight Committee, Audit Committee and

Related Party Transactions Committee and a member of the Corporate Governance Committee of the Company. He is also an independent director in the publicly listed companies, Megaworld Corporation and Empire East Land Holdings, Inc. and Managing Partner of The Law Firm of CP Aquino & Partners. Atty. Aquino has extensive experience in both the public and private sectors as follows: Director of Clark Development Corporation from 2012 to 2016, Independent Director of Suntrust Home Developers, Inc. from 2009 to 2012, Corporate Legal Counsel of MBF Card and One Card Corporation from June 1998 to May 2004, Special Assistant and Chief Legal Counsel of the Government Service Insurance System from September 1992 to June 1998, member of the Board of Directors of the Meat Packaging Corporation of the Philippines from September 1992 to June 1998, Personnel and Administrative Manager, Corporate Secretary and Chief Legal Counsel of ComSavings Bank from September 1992 to June 1998, Executive Director of the Department of Interior and Local Government (DILG) from 1998 to 1992, and Ex Officio Commissioner of the DILG with the Housing and Land Use Regulatory Board also for the same period. Atty. Aquino has been a member of the Integrated Bar of the Philippines since 1978 and is also a member of the Capitol Bar Association, Knights of Columbus and the Lawyers League of the Philippines. He is a graduate of San Sebastian College Manila with degrees in Bachelor of Arts and Bachelor of Laws.

Committee Membership:

- Chairman, Audit Committee
- Chairman, Related Party Transactions Committee
- Chairman, Board Risk Oversight Committee
- Corporate Governance Committee

Key Executive Officers (other than those presented above under “Directors”):

LAILANI V. VILLANUEVA, Filipino, 46 years old, is the Chief Finance Officer, Treasurer, Compliance Officer and Corporate Information Officer of the Company. She joined the Company on 31 January 2011. She is a Certified Public Accountant with over 24 years of experience in accounting and finance. She concurrently holds the position of Director and Treasurer in various subsidiaries of the Company, including but not limited to Global Estates Properties, Inc., Global-Estate Golf and Development, Inc., Southwoods Mall, Inc., and Megaworld Global-Estates, Inc. She is also a Director and Chief Finance Officer of Southwoods Ecocentrum Corporation and Director of Twin Lakes Corporation, Golf force, Inc. and Global Homes and Communities, Inc. Prior to joining the Company, she was Senior Accounting Manager for Megaworld Corporation from 2007 until 2010. Ms. Villanueva obtained her bachelor’s degree in Accountancy from the College of the Immaculate Conception.

MARIE EMELYN GERTRUDES C. MARTINEZ, Filipino, 61 years old, is the Company’s Executive Vice President and Head of the Legal Division. She joined the Company on 13 February 2012. She is also the Corporate Secretary of several subsidiaries of the Company such as Global-Estate Golf and Development, Inc., Golf force, Inc., Sherwood Hills Development, Inc., Global Newcoast Development Corporation, Integrated Resorts Property Management, Inc., Fairways & Bluewater Resorts Golf & Country Club, Inc. and Boracay Newcoast Federation, Inc., to name a few. Before joining GERI, she was the Chief of Staff of the Office of COMELEC Commissioner Augusto C. Lagman, was a Partner in Ponce Enrile Reyes & Manalastas (PECABAR) Law Offices and in Nisce Mamuric Guinto Rivera & Alcantara Law Offices. She was admitted to the Bar in 1991 after obtaining her Bachelor of Laws degree from the University of the Philippines and her Bachelor of Arts major in Economics from the same university.

KAREN B. MADERAZO, Filipino, 47 years old, is the First Vice President and Head of the Company’s Human Resources, Corporate Services and Real Estate Management Division. She joined the Company on 1 October 2013. She is currently the President of Integrated Resorts Property Management, Inc. and a Director of Southwoods City Estate Association, Inc. Ms. Maderazo served as the Senior Manager for

Human Resources Division of Megaworld Corporation from May 2005 to September 2013. She also worked for Suyen Corporation from June 2003 to February 2005 as Training Specialist of the Personnel Department. She obtained her Bachelor of Science degree in Psychology and pursued graduate studies in Psychology both at the Centro Escolar University.

FELIPE L. MANGUBAT, JR., Filipino, 60 years old, is First Vice President and Head of Operations Management of the Company. He joined the Company on 28 January 2013. He is also the Chairman and President of Safehold Property Management, Inc. and director of Boracay Newcoast Federation, Inc and Integrated Resorts Property Management, Inc. A civil engineer by profession, he has extensive experience in project development, having managed various residential, commercial, institutional and industrial projects in the Philippines and in the Middle East. He served as Project Development Head of the Company's Boracay Newcoast and Twin Lakes projects.

KIRK P. ABOT, Filipino, 56 years old, is the Vice President and Head of Planning and Design of the Company. He joined the Company on 20 June 2018. He also holds various positions in several companies, such as Chairman and President of Savoy Hotel Boracay Condominium Corporation and Belmont Hotel Boracay Condominium Corporation; Chairman of Novo Sierra Holdings, Corp. and MCX Corporation, and Director of Safehold Property Management, Inc. An architect by profession, he is a graduate of the Mapua Institute of Technology and ranked in the top 10 of the architectural licensure examinees in 1994. Prior to GERI, he had 21 years of experience and expertise from Megaworld Corporation, where he headed the Building Architectural Group of the Architectural and Planning Department, handling BPO and office projects.

MARIA CARLA T. UYKIM, Filipino, 49 years old, Filipino, is the Corporate Secretary and Assistant Corporate Information Officer of the Company. She is also the Corporate Secretary of several subsidiaries of the Company such as Global Estate Properties, Inc., Twin Lakes Corporation, Global Homes and Communities, Inc. and Southwoods Mall, Inc. She is the head of the Corporate Advisory and Compliance Division of Megaworld Corporation and a member of the Management Executive Committee. She is concurrently the Corporate Secretary of publicly-listed company MREIT, Inc., and serves as Corporate Secretary in various companies such as Global One Integrated Business Services, Inc., Megaworld Bacolod Properties, Inc., Northwin Properties, Inc., Suntrust Properties, Inc. and Maple Grove Land, Inc. She likewise serves as a Director and Corporate Secretary of various companies, such as Asia Affinity Property Management, Inc., Asian E-commerce, Inc., Luxury Global Malls, Inc., Manila Bayshore Property Holdings, Inc., Megaworld Capital Town, Inc., and Megaworld San Vicente Coast, Inc. Atty. Uykim was previously an Associate at Andres Marcelo Padernal Guerrero and Paras law offices from August 2005 to April 2007, where she specialized in labor and corporate law, and at ACCRA Law from February 2003 to January 2004, where she practiced immigration law. She also served as Chief of Staff of Congresswoman Remedios L. Petilla from July 2004 until June 2005. Atty. Uykim obtained her Juris Doctor Degree from the Ateneo De Manila School of Law in 2002 and is a graduate of the double degree program of De La Salle University, with a Bachelor of Arts in Psychology and a Bachelor of Science in Marketing Management in 1997.

NELILEEN S. BAXA, Filipino, 46 years old, is the Assistant Corporate Secretary of the Company. She is also a Senior Accounting Manager and Assistant Corporate Secretary of Megaworld Corporation, and Chief Risk Officer of Alliance Global Group, Inc., which are publicly listed companies. She is also the Assistant Corporate Secretary of Suntrust Properties, Inc. Ms. Baxa concurrently serves as a Director of Asia Finest Cuisine, Inc., Bordeaux Properties, Inc., Langham Properties, Inc., Rowenta International, Inc., and Venetian Properties, Inc. She is a Certified Public Accountant with over 23 years of experience in the fields of accounting and finance. Ms. Baxa obtained her Bachelor's Degree in Accountancy from the University of Sto. Tomas.

ALLAN D. ESPIRITU, Filipino, 45 years old, is the Company's Chief Risk Officer and Chief Audit Executive. He joined the Company on 02 November 2021. Prior to joining the Company, he was a full-time internal auditor at Aboitiz Transport System (now known as 2Go Group, Inc.), Philex Mining Corporation, SM Prime Holdings, Inc., and Isla Lipana & Co. (PwC Philippines). He is a Certified Public Accountant (CPA) and a Certified Internal Auditor (CIA). Mr. Espiritu is a graduate of the University of the East in 2003 with a degree of Bachelor of Science in Accountancy.

(b) *Nominees for Election as Directors, including Independent Directors*

Directors are elected annually by the stockholders during the annual stockholders' meeting to serve until the election and qualification of their successors.

The Corporate Governance Committee accepts nominations to the Board including nominees for independent directors, screens and qualifies the nominees and prepares the final list of candidates for election as members of the Board (the "Final List").

The Corporate Governance Committee, having concluded after evaluation and deliberation that all nominees have all the qualifications and none of the disqualification for election as directors, has determined the following as comprising the Final List of Candidates:

- | | | | |
|----|------------------------------|---|----------------------|
| 1. | Andrew L. Tan | | |
| 2. | Lourdes T. Gutierrez-Alfonso | | |
| 3. | Monica T. Salomon | | |
| 4. | Kevin Andrew L. Tan | | |
| 5. | Ferdinand T. Santos | | |
| 6. | Wilbur L. Chan | | |
| 7. | Ma. Milagros C. Yuhico | - | Independent Director |
| 8. | Alejo L. Villanueva, Jr. | - | Independent Director |

As provided in the Company's Amended By-Laws, nominations made after the issuance of the Final List of Candidates or during the annual stockholders' meeting shall not be allowed.

The foregoing individuals, including the independent directors, who all accepted their respective nominations in writing, were nominated by Megaworld Corporation, the majority stockholder of the Company.

Except for Mr. Villanueva, the background and experience of all the nominees for directors have been provided above. Below is the background and experience of Mr. Alejo L. Villanueva, Jr., who holds 1,000 shares in the Company:

Mr. Villanueva, 84 years old, Filipino, has served as an Independent Director of publicly-listed company, Megaworld Corporation since 17 June 2022. He is also the Independent Director of MREIT Property Managers, Inc. and Director of Ridgeview Estates Nuvali Homeowners Association, Inc., a non-stock, non-profit corporation. He is a seasoned professional consultant with more than two decades of experience in the fields of training and development, public relations, community relations, institutional communication, and policy advocacy. Over the course of his career, he has provided consulting services to various government agencies and offices, international organizations and private institutions, including the Office of the Vice President, the Office of the Senate President, the Commission on Appointments, the Securities and Exchange Commission, the Home Development Mutual Fund, the Home Insurance Guaranty Corporation, Department of Agriculture, Philippine National Railways, International Rice Research Institute, Rustan's Supermarkets, Louis Berger International (USAID-funded projects on Mindanao growth), World Bank (Subic Conversion Program), Ernst & Young (an agricultural productivity project), Chemonics (an agribusiness project of USAID), Price Waterhouse (BOT program, a USAID project), Andersen Consulting (Mindanao 2000, a USAID project), Renardet S.A. (a project on the Privatization of MWSS, with World Bank funding support), Western Mining Corporation, Phelps Dodge Exploration, and Marubeni Corporation. In academe, he taught at the Ateneo Graduate School of Business, the UST Graduate School, and the Asian Institute of Journalism

Mr. Villanueva earned his Bachelor of Arts degree in Philosophy, summa cum laude, from San Beda College in 1962. He obtained his Master's degree in Philosophy from the University of Hawaii in 1967, under an East-West Center Fellowship. He also pursued special studies in the Humanities at Harvard University and studied Organizational Behavior at INSEAD in Fontainebleau, France.

Independent Directors

The Company is required to have at least two (2) independent directors in its Board, who should be independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director in the Company. An independent director should have at least one (1) share of the Company's common stock, a college graduate or has been engaged or exposed to the business for at least five (5) years, and possesses integrity/probity and assiduousness.

Pursuant to SEC Memorandum Circular No. 19, Series of 2016, the independent directors shall serve for a maximum cumulative term of nine (9) years, reckoned from 2012. After which, the independent director should be perpetually barred from reelection as such in the Corporation but may continue to qualify for nomination and election as a non-independent director. If the Corporation wants to retain an independent director who has served for nine years, the Board should provide meritorious justification/s and seek shareholders' approval during the annual shareholders' meeting.

Mr. Alejo L. Villanueva, Jr. is being nominated for the first time as an Independent Director of the Company, in replacement of Mr. Cresencio P. Aquino, whose term will end in June 2026 having reached prescribed the term limit of nine (9) years as provided in SEC Memorandum Circular No. 7, Series of 2026.

Both Mr. Villanueva and Ms. Yuhico have not exceeded the term limit for independent directors, as neither of them have served in such capacity for more than nine (9) years.

In compliance with SEC Memorandum Circular No. 5, Series of 2017, the Certifications on Qualification of Independent Directors executed by the nominees for independent directors are being submitted together with the Company's Information Statement as Annex "A".

Employment in Government

The Certification on the connection of the directors/officers with any government agencies or its instrumentalities is attached hereto as Annex "A".

Significant Employees

Other than the Company's executive officers, there are no employees who are expected to make a significant contribution to the Company's business or personnel upon whose services the Company's business is highly dependent.

Family Relationships

Director Kevin Andrew L. Tan is the son of Chairman Andrew L. Tan. Apart from this, there are no other known family relationships between the current members of the Board and key officers.

Involvement in Certain Legal Proceedings

The Company has no knowledge of any events that have occurred during the past five (5) years up to the date of this report that would be material to an evaluation of the ability or integrity of any of its directors or executive officers. Specifically, none of them has been involved in any bankruptcy petition; convicted by final judgment in a criminal proceeding or subject, in a personal capacity, to any pending criminal proceeding, whether domestic or foreign, excluding traffic violations or other minor offenses; subject to any order, judgment, or decree of any court of competent jurisdiction, whether domestic or

foreign, that permanently or temporarily enjoins, bars, suspends, or otherwise limits their involvement in any type of business, securities, commodities, or banking activities; or found by any domestic or foreign court of competent jurisdiction, regulatory body, exchange, or self-regulatory organization to have violated any securities or commodities law or regulation.

Certain Relationships and Related Transactions

The Company, with regard to related party transactions, adopts a policy of full disclosure. The Company ensures that the transactions are entered in accordance with the arm's length dealings and on terms comparable to those from unrelated third parties.

The Company and its subsidiaries, in their regular conduct of business, have entered into transactions with associates and related parties including investments in and advances granted to or obtained from subsidiaries, associates, and other related parties for purposes of working capital requirements. The Group disclosed in Note 25 the amount of the transactions with its related parties, including the amount of outstanding balances of the reporting dates. With regard to determination of transaction prices these are determined based on the agreement of the parties involved and are based on the prevailing market price.

The Company has no transaction for the covered period with parties that fall outside the definition of "related parties" under PAS 24 but with whom the Company or its related parties has a relationship that enables the parties to negotiate terms of material transactions that may not be available from other, more clearly independent parties on an arm's length basis.

Except with respect to the Related Party Transactions as discussed in Note 25 to the consolidated financial statements as at 31 December 2025 and 2024 and for each of the last three (3) years ended 31 December, there was no transaction during the last three (3) years involving the Company in which any of its directors or executive officers, any nominee for election as director, or security holder owning 10% or more of the Company's total outstanding shares and members of their immediate family had a material interest.

b) ***Disagreement with the Company***

No director has resigned or declined to stand for re-election to the Board of Directors since the date of the last annual meeting because of disagreement with the Company on any matter relating to the Company's operations, policies or practices.

ITEM 6. Compensation of Directors and Executive Officers

Executive Officers

NAME	POSITION	YEAR	SALARY	BONUS	Other Annual Compensation
A. Five Most Highly Compensated Officers		2026 (Estimated)	27.6 Million	2.5 Million	3.1 Million
Monica T. Salomon	President				
Wilbur L. Chan	Director for Hotels and Clubs				
Emelyn C. Martinez	EVP-Legal				
Felipe L. Mangubat Jr.	Head of Operations Management				
Lailani V. Villanueva	Chief Finance Officer				

B. All other officers and directors as a group unnamed			63.1 Million	5.4 Million	7.1 Million
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NAME	POSITION	YEAR	SALARY	BONUS	Other Annual Compensation
C. Five Most Highly Compensated Officers Monica T. Salomon Wilbur L. Chan Emelyn C. Martinez Felipe L. Mangubat Jr. Lailani V. Villanueva	President Director for Hotels and Clubs EVP-Legal Head of Operations Management Chief Finance Officer	2025	25.8 Million	2.3 Million	2.9 Million
D. All other officers and directors as a group unnamed			59.5 Million	5.0 Million	6.7 Million

NAME	POSITION	YEAR	SALARY	BONUS	Other Annual Compensation
E. Five Most Highly Compensated Officers Monica T. Salomon Wilbur L. Chan Emelyn C. Martinez Felipe L. Mangubat Jr. Lailani V. Villanueva	President Director for Hotels and Clubs EVP - Legal Head of Operations Management Chief Finance Officer	2024	24.6 Million	2.8 Million	2.3 Million
F. All other officers and directors as a group unnamed			49.5 Million	4.2 Million	6.2 Million

The Company adopts a performance-based compensation scheme. The total annual compensation of the President and top five (5) highly compensated executives amounted to Php31.0 million in 2025, Php29.7 million in 2024 and Php28.2 million in 2023. The projected total annual compensation for the current year is Php33.2 million.

The total annual compensation paid to all senior personnel from Assistant Vice-President and up were all paid in cash. The total annual compensation includes the basic salary and 13th month pay.

The Company has no other arrangement with regard to the remuneration of its existing officers aside from the compensation received as herein stated.

Directors

Article III, Section 8 of the Company's By-laws provides -

“Section 8. Compensation - By resolution of the Board, each director shall receive a reasonable per diem allowance for his attendance at each meeting of the Board. As compensation, the Board shall receive and allocate an amount of not more than five (5%) percent of the net income before income tax of the corporation during the preceding year. Such compensation shall be determined and apportioned among the directors in such manner as the Board may deem proper.”

Other than payment of per diem per attendance at board meetings, there are neither standard nor other arrangements pursuant to which directors of the Company are compensated or are to be compensated, for any service provided as director for the last completed year and the ensuing year.

Board Attendance at Board and Committee Meetings Held in 2025

Name	No. of Meetings Held During the Year	No. of Meetings Attended	Percentage of Attendance
Andrew L. Tan (<i>Chairman</i>)	7	7	100%
Monica T. Salomon	7	7	100%
Lourdes T. Gutierrez-Alfonso	7	7	100%
Ferdinand T. Santos	7	7	100%
Wilbur L. Chan	7	7	100%
Giancarlo C. Ng	7	7	100%
Kevin Andrew L. Tan	7	7	100%
Cresencio P. Aquino (<i>Independent Director</i>)	7	7	100%
Jesus B. Valera ⁴ (<i>Independent Director</i>)	4	4	100%
Ma. Milagros C. Yuhico ⁵ (<i>Independent Director</i>)	3	3	100%

The attendance of the members of the Audit Committee at the committee meetings for the year 2025 is as follows:

Name	No. of Meetings Held During the Year	No. of Meetings Attended	Percentage of Attendance
Cresencio P. Aquino (<i>Independent Director</i>) (<i>Chairman</i>)	4	4	100%
Jesus B. Valera ⁶ (<i>Independent Director</i>)	2	2	100%
Ma. Milagros C. Yuhico ⁷ (<i>Independent Director</i>)	2	2	100%

⁴ Mr. Jesus B. Valera attended a total of four (4) Board of Directors' meetings in 2025 prior to the end of his term as Independent Director on June 25, 2025.

⁵ Ms. Ma. Milagros C. Yuhico attended a total of three (3) Board of Directors' meeting in 2025 since the date of her election as Independent Director on June 26, 2025.

⁶ Mr. Jesus B. Valera attended a total of two (2) Audit Committee meetings in 2025 prior to the end of his term as Independent Director on June 25, 2025.

⁷ Ms. Ma. Milagros C. Yuhico attended a total of two (2) Audit Committee meetings in 2025 since the date of her election as Independent Director on June 26, 2025.

Kevin Andrew L. Tan	4	4	100%
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The attendance of the members of the Corporate Governance Committee at the committee meetings for the year 2025 is as follows:

Name	No. of Meetings Held During the Year	No. of Meetings Attended	Percentage of Attendance
Cresencio P. Aquino (Independent Director)	2	2	100%
Jesus B. Valera ⁸ (Independent Director)	1	1	100%
Ma. Milagros C. Yuhico ⁹ (Independent Director) (Chairman)	1	1	100%
Giancarlo C. Ng	2	2	100%

Employment Contracts and Termination of Employment and Change-in-Control Arrangements.

The Company has no existing employment contract with any executive officer or any existing compensatory plan or arrangement, including payments to be received from the Company or from a change-in-control of the Company or a change in the named executive officer's responsibilities following a change-in-control and the amount involved, if any, including all periodic payments or installments, which exceeds P2,500,000.

Warrants and Options Outstanding held by Directors or Officers

On 8 November 2011, the Company approved an Executive Stock Option Plan (ESOP) to enable its key Company directors and executives ("Option Holders") who are largely responsible for its further growth and development to obtain an ownership interest in the Company, thereby encouraging long-term commitment to the Company. The Plan is being administered by the Corporate Governance Committee.

Pursuant to this ESOP, from 2012 to 2016, consisting of five (5) tranches, the Company granted the option to its key company directors and executives to subscribe to a total of 400 million shares of the Company. As of 31 December 2023, none of the Option Holders has exercised the options granted to them under the ESOP, and no underlying shares have been subscribed nor fully paid for by the Option Holders in connection therewith.

To date, the all tranches under the ESOP has expired, the last of which expired on 16 June 2023. Thus, as of 31 December 2025, there are no remaining share options that can be exercised.

ITEM 7. Independent Public Accountants

(a) Appointment of External Auditor

Punongbayan & Araullo ("P&A") is being recommended to the stockholders for approval as the Company's external auditor for the calendar year ending 31 December 2026 at the scheduled Annual Meeting on 25 June 2026.

⁸ Mr. Jesus B. Valera attended a total of two (2) Audit Committee meetings in 2025 prior to the end of his term as Independent Director on June 25, 2025.

⁹ Ms. Ma. Milagros C. Yuhico attended a total of two (2) Audit Committee meetings in 2025 since the date of her election as Independent Director on June 26, 2025.

P&A was likewise recommended to and approved by the stockholders as the Company's external auditor for the calendar year ending 31 December 2025 during the 2025 Annual Meeting. Punongbayan & Araullo was likewise appointed external auditor of the Company for the calendar years ending 31 December 2023 and 2024.

The appointment of Punongbayan & Araullo is compliant with the provisions SEC Rules on *Strengthening the Commission's Requirements Regarding Auditor Independence* (Release No. 33-8183, January 28, 2003), which require that the external auditor be rotated or the handling partner changed every seven (7) years or earlier. For the years 2016 to 2022, the handling partner has been Mr. Renan Piamonte, an Audit and Assurance partner of Punongbayan and Araullo. Starting year 2023, the handling partner is Mr. Edcel U. Costales, an Audit and Assurance partner of Punongbayan and Araullo.

(b) Availability of Auditor

Representatives of Punongbayan & Araullo are expected to be present during the Annual Meeting and they will have the opportunity to make a statement if they desire to do so and are expected to be available to respond to appropriate questions.

(c) Members of the Audit Committee

The selection of the external auditor is upon the recommendation of the Audit Committee, which is chaired by Mr. Cresencio P. Aquino with Ms. Ma. Milagros C. Yuhico and Mr. Kevin Andrew L. Tan as members, and is made on the basis of credibility, professional reputation, accreditation with the SEC and affiliation with a reputable foreign partner.

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

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to their satisfaction, would have caused the auditors to make reference thereto in their reports on the financial statements of the Company and its subsidiaries.

(e) External Audit Fees and Services

For the audit of the Group's financial statements and services that are normally provided by the external auditor in connection with statutory and regulatory filings for the calendar year reports of 2025, 2024, and 2023, the fee was approximately Php9.19 million, Php7.50 million, and Php6.40 million, respectively.

The external auditors rendered no other assurance and related services to the Company other than the items discussed above.

ITEM 8. Compensation Plan

No action is to be taken up during the Annual Meeting with respect to any plan pursuant to which cash or non-cash compensation may be paid or distributed.

C. ISSUANCE AND EXCHANGE OF SECURITIES

ITEM 9. Authorization or Issuance of Securities other than for Exchange

No action is to be taken up during the Annual Meeting with respect to the authorization or issuance of any securities other than for exchange for outstanding securities of the Company.

ITEM 10. Modification or Exchange of Securities

No action is to be taken up during the Annual Meeting with respect to the modification of any class of securities of the Company, or the issuance or authorization for issuance of one class of securities of the Company in exchange for outstanding securities of another class.

ITEM 11. Financial and Other Information

Financial Statements of the Company for the immediately preceding year as well as the Management's Discussion and Analysis of Operations and Financial Condition for the corresponding period are included in the Company's Management Report hereto attached as Annex "B" and are incorporated herein by reference.

The Company's Audited Consolidated Financial Statements is hereto attached as Annex "C" SEC Form 17-Q for the 1st quarter of 2026 is also incorporated herein by reference as Annex "D".

ITEM 12. Mergers, Consolidations, Acquisitions and Similar Matters

No action is to be taken up during the Annual Meeting with respect to any transaction involving (a) merger or consolidation of the Company into or with any other person or of any other person into or with the Company; (b) the acquisition by the Company or any of its security holders of securities of another person; (c) the acquisition by the Company of any other going business or of the assets thereof; (d) the sale or other transfer of all or any substantial part of the assets of the Company; or (e) the liquidation or dissolution of the Company.

ITEM 13. Acquisition or Disposition of Property

No action is to be taken up during the Annual Meeting with respect to the acquisition or disposition of any property.

ITEM 14. Restatement of Accounts

No action is to be taken up during the Annual Meeting with respect to the restatement of any asset, capital, or surplus account of the Company.

D. OTHER MATTERS

ITEM 15. Action with Respect to Reports

The following are to be submitted for approval, consideration or information of the stockholders during the Annual Stockholders' Meeting:

1. Approval of the Minutes of the Previous Annual Meeting of stockholders held on 26 June 2025¹⁰;

The approval or disapproval of the Minutes will constitute merely an approval or disapproval of the correctness of the Minutes but will not constitute an approval or disapproval of the matters referred to in the Minutes.

2. Annual Report of Management
3. Appointment of External Auditor;
4. Ratification of all Acts and Resolutions of the Board of Directors, Board Committees and Corporate Officers

¹⁰ The Minutes of the 2025 Annual Stockholders' Meeting is made available for download through the Company's website at <https://geri.com.ph/>.

The actions of the Board of Directors, Board Committees and Corporate Officers sought to be ratified are those taken since the Annual Stockholders' Meeting on 26 June 2025 until 25 June 2026. These include activities undertaken in the usual course of business of the Company such as but not limited to the following:

- a. Designation of authorized representative(s) of the Company in various transactions;
- b. Transactions with various banks, relating to opening and maintenance of bank accounts and other bank transactions;
- c. Engagement of third-party services providers, such as utility companies;
- d. Applications and transactions with various government agencies;
- e. Representation before judicial bodies;
- f. Execution of various contracts and designation of authorized contract signatories;
- g. Execution of Declaration of Restrictions and amendment thereto
- h. Consolidation/subdivision of properties, approval of plans and titling of lands; and
- i. Approval and issuance of financial statements;
- j. Matters pertaining to the holding of annual stockholders meeting

5. Election of Directors

Relative to the 2025 Annual Meeting, the stockholders approved all matters submitted for the approval of the stockholders by proxy or in absentia by having emailed their accomplished ballots to the Corporate Secretary until 5:00 pm of 16 June 2025.

All stockholders were given the opportunity to ask questions by sending their questions and/or comments prior to the Annual Meeting through email at corpsecretary@global-estate.ph. The Minutes of the 2025 Annual Meeting, which are posted on the Company's website, contain a detailed discussion of the matters discussed, a record of the voting results for each agenda item, the list of directors, officers, stockholders and other individuals who attended the meeting, and the Management's Report on the Company's performance during the previous year.

Requirements under Section 49 of the Revised Corporation Code of the Philippines:

Please refer to Annex "E" on the Requirements under Section 49 of the Revised Corporation Code of the Philippines.

ITEM 16. Matters not Required to be Submitted

No action is to be taken up during the Annual Meeting with respect to any matter, which is not required to be submitted to a vote of security holders. Only matters that require stockholders' approval will be taken up during the Annual Meeting.

ITEM 17. Amendment of Charter, By-Laws or Other Documents

No action is to be taken up during the Annual Meeting with respect to any amendment of the Company's Articles of Incorporation, By-laws, or other documents as to which information is not required in the preceding items.

ITEM 18. Other Proposed Actions

No action is to be taken with respect to any matter not specifically referred above.

ITEM 19. Voting Procedures

- (a) Vote required

In the election of directors, the nine (9) nominees garnering the highest number of votes will be elected as members of the Board provided that there shall always be elected at least two (2) independent directors in the Company's Board.

For all other matters proposed to be acted upon, the vote of majority of the outstanding capital stock will be required for approval, unless a higher vote is required by applicable laws or regulations.

(b) Method of Counting of Votes

Each holder of common shares who duly registers for the Annual Meeting will be entitled to one (1) vote with respect to all matters to be taken up during the Annual Meeting.

In the election of directors, each stockholder may vote such number of shares for as many persons as there are directors to be elected or may cumulate said shares and give one nominee as many votes as the number of directors to be elected multiplied by the number of the stockholder's shares. Alternatively, a stockholder may distribute them on the same principle among as many nominees as he sees fit, provided that the total number of votes cast shall not exceed the number of shares owned by the stockholder multiplied by the total number of directors to be elected.

Voting shall be conducted by ballot/proxy and must be submitted no later than 5:00 p.m. on 11 June 2026 to the Office of the Corporate Secretary at 9th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City or by e-mail at corpsecretary@global-estate.ph. Please refer to Appendix "2" (Requirements and Procedure for Voting and Participation in the 2026 Annual Stockholders' Meeting) for detailed guidelines on registration, participation, and voting procedures during the Annual Meeting. Election inspectors duly appointed for the meeting shall be responsible for counting the votes.

PART II

The Company is not soliciting any proxy.

WE ARE NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED NOT TO SEND US A PROXY.

PART III

SIGNATURE PAGE

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

GLOBAL-ESTATE RESORTS, INC.

By:

LAILANI V. VILLANUEVA

*Chief Finance Officer, Treasurer, Compliance Officer,
and Corporate Information Officer*

ANNEX “A”

CERTIFICATIONS

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **MA. MILAGROS C. YUHICO**, of legal age, Filipino, and a resident of Unit 411, Amorsolo West, Amorsolo Square, 23 Amorsolo Drive, Poblacion, Makati City, Philippines, after having been duly sworn in accordance with law do hereby declare that:

1. I am a nominee for independent director of **GLOBAL ESTATE-RESORTS, INC.** (the "**Corporation**"), a corporation duly organized and existing under Philippine laws, with office address at 9th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City.

2. I am also affiliated with the following company/ies or organization/s:

Company/Organization	Position/Relationship	Period of Service
MREIT Property Managers, Inc.	Independent Director	2021 to Present
Megaworld Corporation	Independent Director	December 12, 2024 to Present

3. I possess all the qualifications and none of the disqualifications to serve as an independent director of the Corporation, as provided for in Section 38 of the Securities Regulation Code ("**SRC**"), its Implementing Rules and Regulations ("**IRR**"), and other issuances of the Securities and Exchange Commission ("**SEC**").

4. To the best of my knowledge, I am not related in any capacity or degree to any director, officer, or substantial shareholder of the Corporation, any of its related companies, or any of its substantial shareholders.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its IRR, the Code of Corporate Governance for Publicly Listed Companies, and other SEC issuances.

7. I shall inform the Corporate Secretary of the Corporation of any changes in the above-mentioned information within five (5) days from its occurrence.

[Signature page follows.]

Done, this 15 MAY 2026 at QUEZON CITY, Philippines.


MA. MILAGROS C. YUMICO
Affiant

SUBSCRIBED AND SWORN to before me this 15 MAY 2026 at QUEZON CITY, Philippines,
affiant personally appeared before me and exhibited to me her Passport No. P6151606A valid until
22 February 2028.

Doc. No. 247 ;
Page No. 01 ;
Book No. FN ;
Series of 2026.


Atty. Richard Leo M. Baldeza
Notary Public for Quezon City
E/F RV Mitra Bldg., House of Representatives
Batasan Hills, Quezon City
(NP-080 / 2026-2027)
Until December 31, 2027
Roll No. 53953
PTR No. 5052411 / 02-03-2026 / Pinarof Dolacan
MCLE Compliance No. VIII - 26723-04-10-2025
IBP Lifetime No. 7203 (01-17-08)

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **ALEJO L. VLLANUEVA, JR.**, of legal age, Filipino, and a resident of Block 30 Lot 4 Elbert Street, Ridgeview Estates Nuvali, Canlubang, Calamba, Laguna after having been duly sworn in accordance with law do hereby declare that:

1. I am a nominee for independent director of **GLOBAL ESTATE-RESORTS, INC.** (the "**Corporation**"), a corporation duly organized and existing under Philippine laws, with office address at 9th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City.

2. I am also affiliated with the following company/ies or organization/s:

Company/Organization	Position/Relationship	Period of Service
Ridgeview Estates Nuvali Homeowners Association, Inc.	Director	July 2021 – Present
MREIT Property Managers, Inc.	Independent Director	April 2021-Present
Megaworld Corporation	Independent Director	June 2022-Present

3. I possess all the qualifications and none of the disqualifications to serve as an independent director of the Corporation, as provided for in Section 38 of the Securities Regulation Code ("**SRC**"), its Implementing Rules and Regulations ("**IRR**"), and other issuances of the Securities and Exchange Commission ("**SEC**").

4. To the best of my knowledge, I am not related in any capacity or degree to any director, officer, or substantial shareholder of the Corporation, any of its related companies, or any of its substantial shareholders.

5. To the best of my knowledge, I am not the subject of any pending criminal or administrative investigation or proceeding.

6. I shall faithfully and diligently comply with my duties and responsibilities as independent director under the SRC and its IRR, the Code of Corporate Governance for Publicly Listed Companies, and other SEC issuances.

7. I shall inform the Corporate Secretary of the Corporation of any changes in the above-mentioned information within five (5) days from its occurrence.

[Signature page follows.]

Done, this 15 MAY 2026 at QUEZON CITY, Philippines.


ALEJO L. VILLANUEVA JR.
Affiant

SUBSCRIBED AND SWORN to before me this 15 MAY 2026 at QUEZON CITY,
Philippines, affiant personally appeared before me and exhibited to me his Social Security System No. 03-0714112-5.

Doc. No. 246 ;
Page No. 9 ;
Book No. 741 ;
Series of 2026.


Atty. Richard Leo M. Baldueza
Notary Public for Quezon City
RA Mitra Bldg., House of Representative
Batasan Hills, Quezon City
(NP-080 / 2026-2027)
Until December 31, 2027
Roll No. 53953
JTR No. 5052411 / 02/03/2026 / Plaridel Bulacan
MCLE Compliance No. VIII - 26723/04-10-2025
IBP Lifetime No. 7203 (01-17-08)



GLOBAL-ESTATE RESORTS, INC.

SECRETARY'S CERTIFICATE

I, **MARIA CARLA T. UYKIM**, of legal age, Filipino, with office address at 10th Floor, Two World Square, 24 Upper McKinley Road, McKinley Hill, Taguig City, Metro Manila, Philippines, after having been sworn in accordance with law, hereby depose and state that:

1. I am the Corporate Secretary of **GLOBAL-ESTATE RESORTS, INC.**, a corporation duly organized and existing under Philippine laws, with principal place of business located at 9th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City, Metro Manila, Philippines (the "Corporation").

2. In my capacity as Corporate Secretary, I have custody of the books and records of the Corporation.

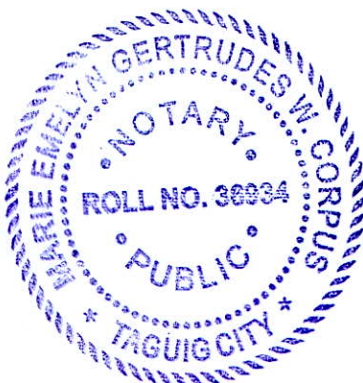
3. I hereby certify that, to the best of my knowledge, none of the members of the Board of Directors, including the independent directors and officers of the Corporation, are appointed to or are employees in any government agency as of the date of this Certification. I further certify that, to the best of my knowledge, none of the nominees to the Board of Directors in the 2026 Annual Stockholders' Meeting and the candidates for election to become officers of the Company for the ensuing year are appointed to or are employees in any government agency as of the date of this Certification.

IN WITNESS WHEREOF, I have hereunto set my hand this MAY 15 2026 at Taguig City.

MARIA CARLA T. UYKIM
Corporate Secretary

SUBSCRIBED AND SWORN to before me this MAY 15 2026 at Taguig City. Affiant exhibiting to me her Passport No. P0247898B valid until 14 January 2029.

Doc. No.: 76
Page No.: 17
Book No.: I
Series of 2026.




MARIE EMELYN GERTRUDES W. CORPUS
NOTARY PUBLIC
City of Taguig
Adm. Matter No. 142 (2025-2026)
9/F Commerce & Industry Plaza
Campus Avenue, McKinley Hill, Taguig City 1030
Roll of Attorney's No. 36934
IBP No. 535207 / 12 December 2025 / Pasig City
PTR No. 6717532 / 06 January 2026 / Taguig City
MCLE Compliance No. VIII-0008750
Issued on 14th of May 2024 valid 14th of April 2028

ANNEX “B”

MANAGEMENT REPORT



GLOBAL-ESTATE RESORTS, INC.

MANAGEMENT REPORT

For the
2026 Annual Shareholders' Meeting
Pursuant to SRC Rule 20 (4)

ITEM 1. Financial and Other Information

Audited Financial Statements

The consolidated financial statements as of 31 December 2025 are attached hereto. The Statement of Management Responsibility, Schedules Required under Part IV (c) of Rule 48 are included in the Annual Report (Form 17-A).

MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information that has been used in the preparation of these consolidated financial statements are summarized below and in the succeeding pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 *Basis of Preparation of Consolidated Financial Statements*

(a) *Statement of Compliance with Philippine Financial Reporting Standards*

The consolidated financial statements of the Group as at and for the years ended December 31, 2025 and 2024 were prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). Prior to 2024, the Group's consolidated financial statements were prepared in accordance with PFRS Accounting Standards, as modified by the application of the financial reporting reliefs issued and approved by the Philippine Securities and Exchange Commission (SEC) in response to the COVID-19 Pandemic. PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by the relevant accounting frameworks, for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) *SEC Financial Reporting Reliefs Availed and Adopted by the Group*

Prior to January 1, 2024, the Group has availed of several financial reporting reliefs granted by the SEC relating to the number of implementation issues of PFRS 15, *Revenue from Contracts with Customers*, and the related financial reporting interpretations affecting the real estate industry. In 2024, the Group adopted the previously deferred provisions of PFRS 15, and the related issuances of the Philippine Interpretations Committee (PIC), and International Financial Reporting Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) using modified retrospective approaches allowed by SEC MC No. 08-2021, *Amendment to SEC MC No. 14-2018, MC No. 03-2019, MC No. 04-2020, and MC No. 34-2020 to clarify transitory provision*.

The adoption of these standards and interpretations has resulted to adjustments to the amounts recognized in the consolidated financial statements as at January 1, 2024, with the cumulative effect recognized in equity as an adjustment to the opening balance of Retained Earnings for 2024.

Discussed below are the relevant information about these standards and interpretations, and the resulting adjustments to the relevant consolidated financial statements accounts as at January 1, 2024.

(i) IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) for Real Estate Industry

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

As a result of the adoption of the IFRIC Agenda Decision, Inventories decreased by P1,112.7 million and Deferred Tax Liabilities – net decreased by P187.0 million as at January 1, 2024.

(ii) PIC Q&A No. 2018-12-D, *Concept of the significant financing component in the contract to sell* and PIC Q&A No. 2020-04, *Addendum to PIC Q&A 2018-12-D: Significant Financing Component Arising from Mismatch between the Percentage of Completion and Schedule of Payments*)

PFRS 15 requires that in determining the transaction price, an entity shall adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component.

There is no significant financing component if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference. Further, the Group does not need to adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception that the timing difference of the receipt of full payment of the contract price and that of the completion of the project, are expected within one year and significant financing component is not expected to be significant.

As a result of the adoption of this interpretation, Contract Assets decreased by P863.7 million and Contract Liabilities decreased by P548.9 million as at January 1, 2024.

The cumulative impact of the foregoing standards and interpretations resulted in P1,240.6 million debit adjustment to the Retained Earnings as at January 1, 2024.

(c) *Presentation of Consolidated Financial Statements*

The consolidated financial statements are presented in accordance with PAS 1, *Presentation of Financial Statements*. The Group presents a consolidated statement of comprehensive income separate from the consolidated statement of income.

The Group presents a third consolidated statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively or makes retrospective restatement or reclassification of items that has a material effect on the information in the consolidated statement of financial position at the beginning of the

preceding period. The related notes to the third consolidated statement of financial position are not required to be disclosed.

The following retrospective reclassifications were made in 2025:

- (i) In 2025, the Group reclassified deferred commissions amounting to P536.3 million and P349.7 million from Prepayments and Other Current Assets to Other Non-current Assets in the 2024 and 2023 consolidated statements of financial position, respectively, to properly reflect the expected reversal of deferred commissions based on the percentage of completion of related projects.
- (ii) The Group reclassified certain advances paid for a purchase of certain property amounting to P86.7 million from Investment Properties to Advances to Related Parties in both 2024 and 2023 consolidated statements of financial position to appropriately reflect the nature and substance of the underlying transaction.
- (iii) To conform with the 2025 cash flow presentation, movements in refundable deposits, previously presented as a separate line item, have been reclassified and included as part of the movements in Other Non-current Assets under operating activities. This change in presentation has no impact on the net cash flows from operating activities for the years ended December 31, 2024 and 2023.

Accordingly, the Group presented a third consolidated statement of financial position as of January 1, 2024, in accordance with the requirement under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

The effect of reclassifications in the consolidated statements of financial position as of December 31, 2024 and January 1, 2024 are summarized as follows.

<i>(Amounts in PHP)</i>	<u>Note</u>	<u>As previously reported</u>	<u>Effect of Reclassifications</u>	<u>As restated</u>
<u>December 31, 2024:</u>				
<i>Changes in assets:</i>				
Current:				
Advances to related parties - net	2.1(c)(ii)	555,801,049	86,745,054	642,546,103
Prepayments and other current assets - net	2.1(c)(i)	4,634,292,827	(536,313,201)	4,097,979,626
Non-current:				
Investment properties - net	2.1(c)(ii)	11,876,841,656	(86,745,054)	11,790,096,602
Other non-current assets - net	2.1(c)(i)	233,027,396	536,313,201	769,340,597
Net impact on net assets			-	

<i>(Amounts in PHP)</i>	<i>Note</i>	<i>As previously reported</i>	<i>Effect of Reclassifications</i>	<i>As restated</i>
<u>January 1, 2024:</u>				
<i>Changes in assets:</i>				
Current:				
Advances to related parties - net	2.1(c)(ii)	567,858,131	86,745,054	654,603,185
Prepayments and other current assets - net	2.1(c)(i)	4,512,403,499	(349,674,942)	4,162,728,557
Non-current:				
Investment properties - net	2.1(c)(ii)	10,552,467,526	(86,745,054)	10,465,722,472
Other non-current assets - net	2.1(c)(i)	166,060,109	349,674,942	515,735,051
Net impact on net assets			-	

The effect of reclassifications in the consolidated statements of cash flows for the years ended December 31, 2024 and 2023 are summarized as follows:

<i>(Amounts in PHP)</i>	<i>Note</i>	<i>As previously reported</i>	<i>Effect of Reclassifications</i>	<i>As restated</i>
<u>December 31, 2024:</u>				
<i>Changes in operating activities:</i>				
Increase in prepayments and other current assets - net	2.1(c)(i)	(374,524,078)	186,638,259	(187,885,819)
Decrease in refundable deposits	2.1(c)(iii)	85,209,560	(85,209,560)	-
Increase in other non-current assets - net	2.1(c)(i), 2.1(c)(iii)	(153,239,117)	(101,428,699)	(254,667,816)
Net impact on cash flows			-	
<u>December 31, 2023:</u>				
<i>Changes in operating activities:</i>				
Increase in prepayments and other current assets - net	2.1(c)(i)	(782,707,257)	67,876,837	(714,830,420)
Decrease in refundable deposits	2.1(c)(iii)	1,758,007	(1,758,007)	-
Increase in other non-current assets - net	2.1(c)(i), 2.1(c)(iii)	(19,625,015)	(66,118,830)	(85,743,845)
Net impact on cash flows			-	

The reclassifications did not result in any adjustments to the Group's consolidated statements of comprehensive income and consolidated statements of changes in equity for the years ended December 31, 2024 and 2023.

(d) *Functional and Presentation Currency*

These consolidated financial statements are presented in Philippine Peso, the Group's presentation and functional currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the consolidated financial statements of the Group are measured using the Group's functional currency. Functional currency is the currency of the primary economic environment in which the Group operates.

1.2 Adoption of Amended PFRS Accounting Standards

(a) *Effective in 2025 that are Relevant to the Group*

The Group adopted for the first time amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*, which are mandatorily effective for annual periods beginning on or after January 1, 2025. The amendments require entities to assess whether a currency is exchangeable and to determine a spot exchange rate when exchangeability is lacking. These amendments also mandate the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendments had no significant impact on the consolidated financial statements of the Group.

(b) *Effective Subsequent to 2025 but not Adopted Early*

There are new standards and amendments to existing standards effective for annual periods subsequent to 2025, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have a significant impact on the Group's consolidated financial statements:

- (i) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)
- (ii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The new standard, however, does not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.
- (iii) PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

1.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Company, and its subsidiaries, after the elimination of material intercompany transactions.

The financial statements of entities in the Group that are prepared as of a date different from that of the date of these consolidated financial statements were adjusted to recognize the effects of significant transactions or events, if any, that occur between that date of their reporting period and the date of these consolidated financial statements. Adjustments are also made to bring into line any dissimilar accounting policies that may exist.

Acquired subsidiaries are subject to either of the following relevant policies:

- (a) Business acquisitions of entities not under common control of a principal stockholder are accounted for using the acquisition method of accounting.
- (b) Business combinations arising from transfers of interests in entities that are under the common control of the principal stockholder are accounted for under the pooling-of interests method. Transfers of assets between commonly-controlled entities are accounted for under historical cost accounting; hence, the assets and liabilities are reflected in the consolidated financial statements at carrying values and no adjustments are made to reflect fair values or recognize any new assets or liabilities, at the date of the combination that otherwise would have been done under the acquisition method. Acquired investment in associate is subject to the purchase method.

1.4 Financial Instruments

(a) Financial Assets

Regular purchases and sales of financial assets are recognized on their trade date (i.e., the date that the Group commits to purchase or sell the asset).

The Group's financial assets include financial assets at amortized cost which are presented in the consolidated statement of financial position as Cash and Cash Equivalents, Trade and Other Receivables [except for value-added tax (VAT) on contracts with customers, Advances to raw landowners and Advances to officers and employees], Advances to Real Estate Property Owners, Advances to Related Parties, and Refundable deposits (as part of Other Non-current Assets account).

Impairment of Financial Assets

The Group applies the simplified approach in measuring expected credit losses (ECL), which uses a lifetime expected loss allowance for all trade and other receivables, contract assets, and other financial assets carried at amortized cost. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. The Group uses historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix. The Group also assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due.

In the case of advances to related parties, which are repayable on demand, the contractual period is the very short period needed to transfer the cash once demanded. Management determines possible impairment based on the sufficiency of the related parties' highly liquid assets in order to repay the Group's receivables if demanded at the reporting date taking into consideration the historical defaults of the related parties. If the Group cannot immediately collect its receivables, management considers the expected manner of recovery to measure ECL. If the recovery strategies indicate that the outstanding balance of advances to related parties can be collected, the ECL is limited to the effect of discounting the amount due over the period until cash is realized.

(b) *Financial Liabilities*

Financial liabilities of the Group include Interest-bearing Loans, Trade and Other Payables (except tax-related liabilities), Advances from Related Parties, Due to Joint Venture Partners, Lease Liabilities and Other Non-current Liabilities account (except Advance rental).

1.5 Inventories

Costs of real estate inventories are assigned using specific identification of their individual costs.

The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known. Any impairment loss from a real estate project is charged to operations during the period in which the loss is determined.

Reposessed property arising from sales cancellation is recognized at cost. The difference between the carrying amount of the corresponding contract balances to be derecognized and the cost of the reposessed property is recognized in the consolidated statement of comprehensive income.

1.6 Property and Equipment

Property and equipment, except land, are carried at acquisition or construction cost less subsequent depreciation, amortization for property and equipment and any impairment losses. As no finite useful life for land can be determined, the related carrying amount are not depreciated.

Depreciation and amortization is computed on the straight-line basis over the estimated useful lives of the assets as follows:

Building	50 years
Building and office improvements	5-10 years
Transportation and other equipment	5 years
Office furniture, fixtures and equipment	3-5 years

1.7 Investment Properties

Investment properties consist of parcels of land and buildings, including those under construction, held or intended for lease or for capital appreciation or both. These properties are carried at cost, net of accumulated depreciation and any impairment in value, except for land which is not subject to depreciation.

Depreciation is computed on a straight-line basis over the estimated useful life of the assets as follows:

Building and improvements	25-50 years
Land development and improvements	20 years

1.8 Revenue and Expense Recognition

Revenue comprises revenue from sale of real properties, hotel operations and leasing activities. The Group's leasing activities are accounted for under PFRS 16, *Leases* (see Note 1.9).

The Group develops real properties such as developed land, house and lot, and condominium units. The Group often enters into contracts to sell real properties as they are being developed. The significant judgment used in determining the timing of satisfaction of the Group's performance obligation with respect to its contracts to sell real properties is disclosed. Sales cancellations are accounted for as contract modification on the year of forfeiture. Cumulative revenue and costs recognized on cancelled contracts are reversed in the year of cancellation, and any gain or loss is charged to profit or loss.

- (a) *Real estate sales on pre-completed real estate properties* – Revenue from real estate sales is recognized over time proportionate to the progress of the development. The Group measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development. Revenue recognized from real estate sales is presented as part of Real Estate Sales account under Revenues and Income section in the consolidated statement of comprehensive income.
- (b) *Real estate sales on completed real estate properties* – Revenue from real estate sales is recognized at point in time when the control over the real estate property is transferred to the buyer. Revenue recognized from real estate sales is presented as part of Real Estate Sales account under Revenues and Income section in the consolidated statement of comprehensive income.
- (c) *Hotel operations* – Revenues from room accommodation and services are recognized over time during the occupancy of hotel guest and ends when the scheduled hotel room accommodation has lapsed (i.e., the related room services have been rendered). As applicable, invoices for hotel accommodations are due upon receipt by the customer. For food and beverage, revenue is recognized at a point in time upon delivery to and receipt of food and beverage by the customer.
- (d) *Service income* – Revenue is recognized over time (i.e., time-and-materials basis as the services are provided) until the performance of contractually agreed tasks has been substantially rendered. Service income comprises fees from maintenance of golf course and management fees
- (e) *Marketing fees* – Revenue is recognized over time in the same amount to which the entity has the right of invoice to the customer. Any amounts remaining unbilled at the end of the reporting period are presented in the consolidated statement of financial position as receivables as only the passage of time is required before payment of these amounts will be due.

For tax reporting purposes, a modified basis of computing the taxable income for the year based on collections from real estate sales is used by the Company, GEPI, TLC, GEGDI, GNDC, SWEC, and OPI.

Incremental costs of obtaining a contract to sell real property to customers are recognized as Deferred commission under Prepayments and Other Current Assets, and Other Non-current Assets, and is subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized.

Other costs and expenses are recognized in profit or loss upon utilization of services or receipt of goods or at the date they are incurred. Finance costs are reported on an accrual basis except capitalized borrowing costs.

Cost of real estate sales include the acquisition of cost of the land, development costs incurred to date and estimated costs to complete the project, determined based on estimates made by the project engineers.

In determining the transaction price, the Group adjusts the contract price for the effects of time value of money when the timing of payments agreed to with the customer provides either party with a significant benefit of financing the transfer of goods or services to the customer. In buyer financing arrangements where buyer payments are ahead of the development of the sold property, the Group recognizes interest expense which is presented as part of Finance cost under Finance Cost and Other Charges in the consolidated statement of comprehensive income. Conversely, in seller financing arrangements where the development of the sold property is ahead of buyer payment terms, the Group recognizes interest income which is presented as part of Finance income under Finance and Other Income in the consolidated statement of comprehensive income.

The Group applies the practical expedient under PFRS 15 where the promised amount of consideration is no longer adjusted for the effects of significant financing component when the Group expects, at contract inception, that the period between when the Group transfers the promised good or service to a customer and when the customer pays for such good or service will be one year or less.

Under its contracts with customers, the Group will receive an unconditional right to payment for the total consideration upon the completion of the development of the property sold. Any rights to consideration recognized by the Group as it develops the property are presented as Contract Assets in the consolidated statement of financial position. Contract assets are subsequently tested for impairment in the same manner as the Group assesses impairment of its financial assets [see Note 1.4(a)].

Any consideration received by the Group in excess of the amount for which the Group is entitled is presented as Contract Liabilities in the consolidated statement of financial position. A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

If the transaction does not yet qualify as contract revenue under PFRS 15, the deposit method is applied until all conditions for recording the sale are met. Pending the recognition of revenue on real estate sale, consideration received from buyers are presented under the Customers' Deposits account in the liabilities section of the consolidated statement of financial position

1.9 Leases

The Group accounts for its leases as follows:

(a) Group as Lessee

The Group amortizes the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in consolidated profit or loss on a straight-line basis over the lease term.

(b) *Group as Lessor*

The Group applies judgment in determining whether a lease contract is a finance or operating lease.

1.10 Impairment of Non-financial Assets

The Group's investments in associates, investment properties, property and equipment, right-of-use assets and other non-financial assets are subject to impairment testing. All other individual assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

1.11 Employee Benefits

The Group provides post-employment benefits to employees through a defined benefit plan, defined benefit contribution plans, and other employee benefits. The Group's post-employment defined benefit pension plans covers all regular full-time employees. The pension plans are tax-qualified and non-contributory.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

1.12 Share-based Employee Remuneration

The Group grants share options to key executive officers eligible under a stock option plan. The services received in exchange for the grant, and the corresponding share options, are valued by reference to the fair value of the equity instruments granted at grant date. This fair value excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions), if any. The share-based remuneration is recognized as an expense in profit or loss with a corresponding credit to retained earnings.

The expense is recognized during the vesting period based on the best available estimate of the number of share options expected to vest. The estimate is subsequently revised, if necessary, such that it equals the number that ultimately vests on vesting date. No subsequent adjustment is made to expense after vesting date, even if share options are ultimately not exercised.

Upon exercise of share option, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to capital stock with any excess being recorded as additional paid-in capital.

1.13 Basic and Diluted Earnings per Share

Basic earnings per share (EPS) is computed by dividing consolidated net profit by the weighted average number of common shares issued and outstanding during the period, adjusted retroactively for any stock dividend, stock split or reverse stock split declared during the current period.

Diluted EPS is computed by adjusting the weighted average number of common shares outstanding to assume conversion of potentially dilutive shares.

1.14 Borrowing Costs

Borrowing costs, which consists of interest and other costs that the Group incurs in connection with borrowing of funds, are recognized as expenses in the period in which they are incurred, except to the extent that they are capitalized. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (i.e., an asset that takes a substantial period of time to get ready for its intended use or sale) are capitalized as part of cost of such asset. The capitalization of borrowing costs commences when expenditures for the asset and borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale. Capitalization ceases when substantially all such activities are complete.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Prior to January 1, 2024, borrowing costs are capitalized as part of inventories that are actively being prepared for their intended use or sale. However, starting January 1, 2024, these inventories are no longer considered as qualifying assets, and any related borrowing costs will be expensed as incurred.

External Auditor

The Group has engaged the services of Punongbayan & Araullo during the most recent calendar year. There were no disagreements with Punongbayan & Araullo on any matter of accounting and financial disclosure.

Attendance of External Auditor at the Meeting

Representatives of the Corporation's external auditor, Punongbayan & Araullo, for the Calendar Year 2025, are expected to be present at the Annual Stockholders' Meeting scheduled on 25 June 2026. Said accountants will be given the opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions on the Corporation's financial statements.

BUSINESS AND GENERAL INFORMATION

Form and Date of Organization

Global-Estate Resorts, Inc. (“**GERI**” or the “**Company**”) was incorporated on 18 May 1994 as Fil-Estate Land, Inc. to engage in real estate development. The Company went public in November 1995 when its common shares were listed in the Philippine Stock Exchange (PSE).

In 2011, Alliance Global Group, Inc. (“**AGI**”) acquired a majority stake in the Company and re-branded it as Global-Estate Resorts, Inc. to engage in the development of integrated tourism and leisure estates.

In 2014, GERI was consolidated under Megaworld Corporation when the latter acquired AGI’s stake in the Company.

Description of Business

The Company is primarily engaged in the development of integrated tourism and leisure estates, as well as integrated lifestyle communities that combine residential, retail, hotel and/or leisure components within natural resort settings. This aligns with the Company's strategic objective of positioning itself as a leading developer of master-planned fully integrated tourism estates in the Philippines catering to both the domestic and foreign markets. Its key developments are Boracay Newcoast in Malay, Aklan, Twin Lakes in Laurel, Batangas, Sta. Barbara Heights in Iloilo, Southwoods City in Laguna and Cavite, Alabang West in Las Piñas, Metro Manila, Eastland Heights in Antipolo City, Rizal, The Hamptons Caliraya in Lumban-Cavinti, Laguna, Arden Botanical Estate in Trece and Tanza, Cavite, Sherwood Hills in Trece, Cavite, The Fifth in Pasig City, Metro Manila and Lialto Beach and Golf Estates in Lian, Batangas. The Company undertakes its development business by itself or in joint venture with landowners. Among the Company's subsidiaries are joint venture corporations: i) Twin Lakes Corporation ("**TLC**"), which was incorporated on 02 March 2011 to develop Twin Lakes in Laurel, Batangas; ii) Oceanfront Properties, Inc. ("**OPI**"), which was incorporated on 12 October 2010 to develop parts of Boracay Newcoast; and iii) Southwoods Mall, Inc. ("**SMI**"), which was incorporated on 18 July 2013 to develop the Southwoods Mall and Office Towers in Southwoods City.

The Company's developments are marketed by Megaworld Global-Estate, Inc. ("**MGEI**"), a subsidiary incorporated on 14 March 2011, and by the Company's in-house marketing group.

The Company's hotel developments in Twin Lakes and Boracay are operated by its subsidiaries Twin Lakes Hotel, Inc. (incorporated on 28 September 2018), Savoy Hotel Boracay, Inc. (incorporated on 24 January 2017), Belmont Hotel Boracay, Inc. (incorporated on 18 March 2019), Chancellor Hotel Boracay, Inc. (incorporated on 16 April 2024), and Global Newcoast Development Corporation, formerly Fil-Estate Urban Development Corporation (incorporated on 6 March 2000).

Prior to 2011, the Company's subsidiaries Global-Estate Properties, Inc. (*formerly known as Fil-Estate Properties, Inc. or "**GEPI**"*) and Global-Estate Golf and Development, Inc. (*formerly known as Fil-Estate Golf and Development, Inc. or "**GEGDI**"*), incorporated on 13 February 1990 and 06 March 1990, respectively, had engaged in the development of residential subdivisions, condominium buildings, commercial lots, and golf clubs.

Management's Discussion and Analysis of Financial Condition and Results of Operations

KEY PERFORMANCE INDICATORS

LIQUIDITY RATIOS

	March 31, 2026	March 31, 2025	December 31, 2025	December 31, 2024 as restated
Current Ratio	4.76	4.99	4.99	4.47
Quick Assets Ratio	2.08	2.09	2.09	1.98

Current Ratio (Current Assets/Current Liabilities)

Liquidity ratio that measures a company's ability to pay short-term obligations.

Quick Assets Ratio (Total Current Assets less Inventories and Other Current Assets/ Current Liabilities)

It measures a company's ability to meet its short-term obligations with its most liquid assets.

LEVERAGE OR LONG-RANGE SOLVENCY RATIOS

	March 31, 2026	March 31, 2025	December 31, 2025	December 31, 2024, as restated
Debt to Total Assets	34%	34%	34%	35%
Equity to Total Assets	66%	66%	66%	65%
Debt to Equity	51%	51%	51%	54%
Asset to Equity	1.51	1.51	1.51	1.54

Debt to Total Assets

It shows the creditors' contribution to the total resources of the organization.

Equity to Total Assets

It shows the extent of owners' contribution to the total resources of the organization.

Debt to Equity

It relates the exposure of the creditors to that of the owners.

Asset to Equity (Total Assets/Total Owner's Equity)

It measures the company's leverage.

ACTIVITY RATIOS

	March 31, 2026	March 31, 2025	December 31, 2025	December 31, 2024 as restated
Assets Turnover	2.42%	2.29%	8.91%	9.36%

Assets Turnover

It measures the level of capital investment relative to sales volume.

PROFITABILITY RATIOS

	March 31, 2026	March 31, 2025	December 31, 2025	December 31, 2024 as restated
Return on Equity	1.61%	1.65%	5.48%	5.26%
Return on Assets	1.00%	1.02%	3.54%	3.46%
Earnings per Share	P 0.0534	P 0.0518	P 0.175	P 0.162

Return on Equity (Net Income Attributable to Parent Company's shareholders/ Average Equity Attributable to Parent Company's shareholders)

It tests the productivity of the owners' investments.

Return on Assets (Net Income/ Average Total Assets)

This ratio indicates how profitable a company is relative to its total assets.

Earnings per Share (EPS)

It indicates the earnings for each of the common shares held.

INTEREST COVERAGE RATIO

	March 31, 2026	March 31, 2025	December 31, 2025	December 31, 2024 as restated
Interest Coverage	₱9.77	₱11.46	₱9.12	₱8.83

Interest Coverage Ratio (Earnings before Interest and Income Tax/Interest Expense)

It measures how easily a company can pay interest on an outstanding debt.

Management's Discussion and Analysis

Review for the period ended March 31, 2026

Results of Operations

Review for the period ended March 31, 2026

	Unaudited		Horizontal Analysis		Vertical Analysis	
	1Q2026	1Q2025	Inc. (Dec.)	%	1Q2026	1Q2025
REVENUES AND INCOME						
Real estate sales	P 1,591,049,505	P 1,447,024,924	P 144,024,581	10%	73%	64%
Hotel operations	149,835,793	297,998,693	(148,162,900)	-50%	7%	13%
Rental income	163,467,964	143,569,224	19,898,739	14%	7%	6%
Service income	56,404,042	69,925,387	(13,521,344)	-19%	3%	3%
Marketing fees	23,550,101	32,646,100	(9,095,999)	-28%	1%	1%
Finance and other income	204,996,194	257,490,511	(52,494,318)	-20%	9%	11%
TOTAL REVENUE	2,189,303,599	2,248,654,839	(59,351,241)	-3%	100%	100%
COSTS AND EXPENSES						
Cost of real estate sales	555,580,329	619,306,877	(63,726,549)	-10%	25%	28%
Cost of rentals and services	88,997,018	98,425,441	(9,428,423)	-10%	4%	4%
Cost of hotel operations	69,043,569	102,129,547	(33,085,977)	-32%	3%	5%
Other operating expenses	495,368,888	445,041,448	50,327,440	11%	23%	20%
Finance costs and other charges	137,452,326	157,053,981	(19,601,655)	-12%	6%	7%
TOTAL COSTS AND EXPENSES	1,346,442,129	1,421,957,294	(75,515,165)	-5%	62%	63%
PROFIT BEFORE TAX	842,861,470	826,697,545	16,163,923	2%	38%	37%
TAX EXPENSE	193,473,128	183,795,165	9,677,962	5%	9%	8%
NET PROFIT	649,388,342	642,902,380	6,485,961	1%	30%	29%
OTHER COMPREHENSIVE INCOME (LOSS)						
REVALUATION RESERVE	-	-	-	0%	0%	0%
OTHER COMPREHENSIVE INCOME (LOSS)	-	-	-	0%	0%	0%
TOTAL COMPREHENSIVE INCOME	P 649,388,342	P 642,902,380	P 6,485,961	1%	30%	29%
Net profit attributable to:						
Parent Company's shareholders	P 586,268,912	P 569,013,771	17,255,140	3%	27%	25%
Non-controlling interest	63,119,431	73,888,609	(10,769,178)	-15%	3%	3%
TOTAL	P 649,388,342	P 642,902,380	P 6,485,962	1%	30%	29%
Total comprehensive income attributable to:						
Parent Company's shareholders	P 586,268,912	P 569,013,771	17,255,140	3%	27%	25%
Non-controlling interest	63,119,431	73,888,609	(10,769,178)	-15%	3%	3%
TOTAL	P 649,388,342	P 642,902,380	P 6,485,961	1%	30%	29%

Consolidated revenues for the three-month period ended March 31, 2026 amounted to Php2.2 billion. Real estate sales of Php1.6 billion were primarily driven by the sale of lots in Newcoast The Village and Newcoast Resorts Village in Malay, Aklan; Sta. Barbara Heights in Iloilo City; Twin Lakes Domaine Le Jardin and Lucerne at Domaine Le Jardin in Laurel, Batangas; Pahara in Southwoods City; Eastland Heights in Antipolo, Rizal; and The Lindgren in Trece Martires, Cavite; and condominium units in Oceanway Residences One and Ocean Garden Villas in Boracay, Holland Park and Tulip Gardens in Southwoods City, as well as Vineyard Residences,

Belvedere, The Manor, and Countrywoods in Twin Lakes, Laurel, Batangas.

Hotel revenues decreased by 50%, from Php298.0 million as of March 31, 2025 to Php149.8 million as of March 31, 2026, mainly due to lower occupancy rates during the period. Rental income, however, increased by 14%, from Php143.6 million to Php163.5 million, driven by improved occupancy rates and higher tenant sales. The balance of revenues was contributed by marketing fees of Php23.6 million, finance and other income of Php205.0 million, and service income of Php56.4 million.

Costs and expenses decreased by Php65.8 million or 4%, primarily due to lower cost of real estate sales, reduced hotel operating costs, and lower finance costs and other charges.

As a result, the Company posted a net income of Php649.4 million for the period ended March 31, 2026.

Major Movements of Income Statement Accounts

(Increase/decrease of 5% or more versus March 31, 2025)

- 10% increase in Real Estate Sales – mainly due to higher sales recognized during the period.
- 50% decrease in Hotel Revenues – mainly attributable to lower occupancy rates.
- 14% increase in Rental Income – driven by improved occupancy and higher tenant sales.
- 19% decrease in Service Income – due to lower service revenues during the period.
- 28% decrease in Marketing Fees – attributable to lower marketing income from joint venture partners' inventory sales.
- 20% decrease in Finance and Other Income – due to lower interest income related to real estate sales.
- 10% decrease in Cost of Real Estate Sales – mainly due to a favorable sales mix, with higher-margin projects recognized during the period.
- 32% decrease in Cost of Hotel Operations – due to decrease in hotel occupancy.
- 10% decrease in Cost of Rental and Services – primarily due to decrease in costs directly related to rental and service operations.
- 11% increase in Operating Expenses – mainly due to higher administrative expenses and costs directly related to increased revenues.
- 13% decrease in Finance Costs and Other Charges – due to lower finance costs and reduced recognition of losses on sales cancellations.
- 5% increase in Income Tax Expense – due to higher taxable income.

Financial Condition

	Unaudited 1Q2026	Audited 2025	Horizontal Analysis		Vertical Analysis	
			Inc. (Dec.)	%	1Q2026	2025
Cash and Cash equivalent	2,273,525,626	2,268,417,517	5,108,109	0%	3%	4%
Trade and other receivables - net	13,884,654,129	12,101,662,209	1,782,991,920	15%	21%	19%
Contract Assets	3,170,967,238	3,084,755,155	86,212,083	3%	5%	5%
Advances to real property owners	68,795,786	81,052,387	(12,256,601)	-15%	0%	0%
Advances to related parties	683,682,311	957,290,869	(273,608,558)	-29%	1%	1%
Inventories	21,289,016,524	21,277,246,943	11,769,581	0%	32%	33%
Prepayments and other current assets	4,585,860,481	4,301,540,398	284,320,083	7%	7%	7%
TOTAL CURRENT ASSETS	45,956,502,095	44,071,965,478	1,884,536,617	4%	70%	68%
Trade and other receivables - net	2,327,206,660	4,077,837,042	(1,750,630,382)	-43%	4%	6%
Contract Assets	1,684,345,906	847,953,590	836,392,316	99%	3%	1%
Advances to real estate property owners	1,064,257,794	1,054,420,063	9,837,731	1%	2%	2%
Investment in associates	731,055,666	731,055,666	(0)	0%	1%	1%
Investment Properties - net	12,062,797,888	11,972,032,134	90,765,754	1%	18%	19%
Property and equipment - net	806,407,242	802,769,091	3,638,151	0%	1%	1%
Right-of-use asset	276,401,736	285,768,316	(9,366,580)	-3%	0%	0%
Other non-current assets	837,298,503	822,484,035	14,814,468	2%	1%	1%
TOTAL NON-CURRENT ASSETS	19,789,771,395	20,594,319,937	(804,548,541)	-4%	30%	32%
TOTAL ASSETS	65,746,273,490	64,666,285,415	1,079,988,076	2%	100%	100%
Interest bearing loans and borrowings	2,017,870,588	1,859,047,059	158,823,529	9%	3%	3%
Trade and other payables	5,465,828,507	5,253,582,920	212,245,587	4%	8%	8%
Contract liabilities	539,196,818	217,630,187	321,566,631	149%	1%	0%
Due to joint venture partners	451,298,441	476,974,248	(25,675,807)	-5%	1%	1%
Advances from related parties	636,696,398	600,225,613	36,470,785	6%	1%	1%
Customer's deposit	496,127,251	381,549,776	114,577,475	30%	1%	1%
Lease liabilities	50,012,985	48,987,432	1,025,553	2%	0%	0%
TOTAL CURRENT LIABILITIES	9,657,030,988	8,837,997,235	819,033,753	9%	15%	14%
Interest bearing loans and borrowings	7,136,754,778	7,729,279,492	(592,524,714)	-8%	11%	12%
Contract liabilities	240,746,611	152,590,801	88,155,810	58%	0%	0%
Customer's deposit	116,825,196	156,059,285	(39,234,089)	-25%	0%	0%
Retirement benefit obligation	212,782,886	215,629,086	(2,846,200)	-1%	0%	0%
Deferred tax liability	3,723,608,525	3,597,632,628	125,975,897	4%	6%	6%
Lease liabilities	571,815,437	571,815,437	(0)	0%	1%	1%
Other non-current liabilities	674,705,073	654,920,584	19,784,489	3%	1%	1%
TOTAL NON-CURRENT LIABILITIES	12,677,238,506	13,077,927,313	(400,688,806)	-3%	19%	20%
TOTAL LIABILITIES	22,334,269,494	21,915,924,548	418,344,946	2%	34%	34%
EQUITY						
Capital stock	10,986,000,000	10,986,000,000	-	0%	17%	17%
Additional paid-in capital	4,747,739,274	4,747,739,274	-	0%	7%	7%
Revaluation reserves	74,490,031	62,235,243	12,254,788	20%	0%	0%
Retained earnings	20,801,792,212	20,215,523,301	586,268,912	3%	32%	31%
Equity attributable to shareholders of the Parent Company	36,610,021,517	36,011,497,818	598,523,700	2%	56%	56%
Non-controlling interest	6,801,982,479	6,738,863,049	63,119,431	1%	10%	10%
Total Equity	43,412,003,996	42,750,360,867	661,643,131	2%	66%	66%
TOTAL LIABILITIES AND EQUITY	65,746,273,490	64,666,285,415	1,079,988,077	2%	100%	100%

The Group's financial position remained stable. Total assets as of March 31, 2026 amounted to Php65.7 billion, compared to Php64.7 billion as of December 31, 2025, reflecting an increase of Php1.1 billion.

Contract assets increased by 24%, from Php3.9 billion as of December 2025 to Php4.9 billion as of March 2026, due to additional sales from uncompleted projects where the percentage of

completion exceeded collections.

Advances to related parties decreased by 29%, from Php957.3 million to Php683.7 million, mainly due to collections from related parties. Other current and non-current assets increased by 6% or Php299.1 million due to higher advances to contractors and suppliers.

Interest bearing loans and borrowings decreased by 5%, primarily due to partial payments made on the principal loan obligation.

Contract liabilities increased by 111%, from Php370.2 million as of December 2025 to Php779.9 million as of March 2026, due to sales from uncompleted projects where collections exceeded the percentage of completion. Customers' deposits increased by Php75.3 million or 14%, from Php537.6 million to Php613.0 million, reflecting collections from both existing and new buyers.

Due to joint venture partners decreased by 5% or Php25.7 million due to payments made to joint venture partners. Advances from related parties increased by 6% or Php36.5 million due to additional advances received from related parties.

Shareholders' equity increased from Php42.8 billion as of December 2025 to Php43.4 billion as of March 2026, primarily due to the net income generated during the period.

Major movements of Balance Sheet Accounts

- 24% increase in Contract Assets – due to additional sales from uncompleted projects where percentage of completion exceeded collections.
- 29% decrease in Advances to Related Parties – due to collections from related parties.
- 6% increase in Other Current and Non-current Assets – due to higher advances to contractors and suppliers.
- 111% increase in Contract Liabilities – due to higher sales from uncompleted projects where collections exceeded percentage of completion.
- 5% decrease in Interest Bearing Loans and Borrowings – primarily due to partial payments made on the principal loan obligations.
- 14% increase in Customers' Deposits – due to collections from both existing and new buyers.
- 5% decrease in Due to Joint Venture Partners – due to payments made to joint venture partners.
- 6% increase in Advances from Related Parties – due to additional advances received from related parties.

Others

As of the period ended March 31, 2026, there are no:

- a. Known trend, demands, commitments, events or uncertainties that would have a material impact on the liquidity of the Company.
- b. Material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.
- c. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the net sales/revenues/income from continuing operations.

- d. Significant elements of income or loss that did not arise from the Company's continuing operations.
- e. Causes for any material changes from period to period in one or more line items of the Company's financial operations.
- f. Seasonal aspects that had a material effect on the financial condition or results of the operations.
- g. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;

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

Review for the year ended December 31, 2025

Results of Operations

	Audited		Horizontal Analysis		Vertical Analysis	
	2025	2024	Inc. (Dec.)	%	2025	2024
REVENUES AND INCOME						
Real estate sales	P 5,762,839,550	P 5,885,396,891	(P 122,557,341)	-2%	64%	66%
Hotel operations	885,518,182	956,318,317	(70,800,135)	-7%	10%	11%
Rental income	628,568,978	584,179,297	44,389,681	8%	7%	7%
Service income	245,565,281	248,232,198	(2,666,916)	-1%	3%	3%
Marketing fees	276,462,655	40,897,618	235,565,037	576%	3%	0%
Finance and other income	1,138,634,146	1,171,495,292	(32,861,147)	-3%	13%	13%
TOTAL REVENUE	8,937,588,792	8,886,519,613	51,069,178	1%	100%	100%
COSTS AND EXPENSES						
Cost of real estate sales	1,939,737,872	2,422,416,935	(482,679,064)	-20%	22%	27%
Cost of rentals and services	359,245,568	371,395,395	(12,149,827)	-3%	4%	4%
Cost of hotel operations	447,718,650	528,879,515	(81,160,864)	-15%	5%	6%
Other operating expenses	2,189,757,710	2,020,349,166	169,408,544	8%	25%	23%
Finance costs and other charges	1,100,389,911	837,329,141	263,060,770	31%	12%	9%
TOTAL COSTS AND EXPENSES	6,036,849,711	6,180,370,152	(143,520,441)	-2%	68%	70%
PROFIT BEFORE TAX	2,900,739,081	2,706,149,461	194,589,619	7%	32%	30%
TAX EXPENSE	644,449,584	549,542,890	94,906,694	17%	7%	6%
NET PROFIT	2,256,289,497	2,156,606,571	99,682,925	5%	25%	24%
OTHER COMPREHENSIVE INCOME (LOSS)						
REVALUATION RESERVE	9,902,092	(10,333,204)	20,235,296	-196%	0%	0%
OTHER COMPREHENSIVE INCOME (LOSS)	9,902,092	(10,333,204)	20,235,296	-196%	0%	0%
TOTAL COMPREHENSIVE INCOME	P 2,266,191,589	P 2,146,273,367	P 119,918,221	6%	25%	24%
Net profit attributable to:						
Parent Company's shareholders	P 1,924,530,701	P 1,780,517,595	144,013,106	8%	22%	20%
Non-controlling interest	331,758,796	376,088,976	(44,330,180)	-12%	4%	4%
TOTAL	P 2,256,289,497	P 2,156,606,571	P 99,682,926	5%	25%	24%
Total comprehensive income attributable to:						
Parent Company's shareholders	P 1,934,432,793	P 1,770,184,391	164,248,402	9%	22%	20%
Non-controlling interest	331,758,796	376,088,976	(44,330,180)	-12%	4%	4%
TOTAL	P 2,266,191,589	P 2,146,273,367	P 119,918,221	6%	25%	24%

For the year ended December 31, 2025, the Group reported consolidated net income of Php 2.26 billion, representing an increase of Php 0.10 billion or 5% from Php 2.16 billion in 2024. The increase was primarily attributable to higher revenues and improved cost management during the period.

Consolidated revenues amounted to Php 8.94 billion, with the bulk derived from real estate sales, hotel operations, rental income, and finance and other income. The increase in revenues was mainly driven by continued sales of residential lots and condominium units across key developments, including Newcoast Village (Malay, Aklan), Sta. Barbara Heights (Iloilo), Twin

Lakes developments (Laurel, Batangas), Southwoods City projects, Alabang West, Eastland Heights (Antipolo, Rizal), and Arden Botanical Estate (Cavite), as well as condominium projects in Boracay and Twin Lakes.

Cost and expenses amounted to Php 6.68 billion, representing a decrease of Php 0.05 billion or 1% from Php 6.73 billion in 2024. The decline was primarily due to lower cost of real estate sales, hotel operations, and rental and service-related costs, partially offset by increases in other operating expenses.

As a result, the Group recorded an improvement in operating margins, driven by a combination of revenue growth and cost optimization efforts.

*Material Changes in the Statements of Comprehensive Income the year ended December 31, 2025
(Increase/decrease of 5% or more versus December 31, 2024)*

- 8% increase in Rental income – primarily due to higher occupancy rates and improved tenant sales during the period.
- 7% decrease in Hotel Operations – mainly attributable to lower occupancy rates.
- 576% increase in Marketing fees – driven by higher marketing income from the sale of joint venture partners' inventory.
- 20% decrease in Cost of real estate sales – mainly due to favorable sales mix, with recognized revenues coming from projects with higher gross profit margins.
- 15% decrease in Cost of hotel operations – in line with the decline in hotel operations.
- 8% increase in Operating expenses – primarily due to higher expenses directly related to increased revenues, as well as higher administrative expenses.
- 31% increase in Finance cost and other charges – mainly due to higher borrowing costs and the recognition of losses on sales cancellations.
- 17% increase on Income tax expense – in line with higher taxable income during the period.

Financial Condition

	Audited		Horizontal Analysis		Vertical Analysis	
	2025	December 31, 2024, as restated	Inc. (Dec.)	%	2025	2024
Cash and Cash equivalent	2,268,417,517	2,294,241,764	(25,824,247)	-1%	4%	4%
Trade and other receivables - net	12,101,662,209	11,567,141,423	534,520,786	5%	19%	18%
Contract Assets	3,084,755,155	4,473,585,570	(1,388,830,415)	-31%	5%	7%
Advances to real property owners	81,052,387	45,424,169	35,628,218	78%	0%	0%
Advances to related parties	957,290,869	642,546,103	314,744,766	49%	1%	1%
Inventories	21,277,246,943	19,811,862,169	1,465,384,774	7%	33%	32%
Prepayments and other current assets	4,301,540,398	4,097,979,626	203,560,772	5%	7%	7%
TOTAL CURRENT ASSETS	44,071,965,478	42,932,780,824	1,139,184,654	3%	68%	68%
Trade and other receivables - net	4,077,837,042	3,757,018,414	320,818,628	9%	6%	6%
Contract Assets	847,953,590	526,379,353	321,574,237	61%	1%	1%
Advances to real estate property owners	1,054,420,063	1,324,000,935	(269,580,872)	-20%	2%	2%
Investment in associates	731,055,666	731,407,570	(351,904)	0%	1%	1%
Investment Properties - net	11,972,032,134	11,790,096,602	181,935,532	2%	19%	19%
Property and equipment - net	802,769,091	897,342,019	(94,572,928)	-11%	1%	1%
Right-of-use asset	285,768,316	121,739,208	164,029,108	135%	0%	0%
Other non-current assets	822,484,035	769,340,597	53,143,438	7%	1%	1%
TOTAL NON-CURRENT ASSETS	20,594,319,937	19,917,324,698	676,995,239	3%	32%	32%
TOTAL ASSETS	64,666,285,415	62,850,105,522	1,816,179,893	3%	100%	100%
Interest bearing loans and borrowings	1,859,047,059	1,908,200,000	(49,152,941)	-3%	3%	3%
Trade and other payables	5,253,582,920	5,123,765,855	129,817,065	3%	8%	8%
Contract liabilities	217,630,187	86,684,170	130,946,017	152%	0%	0%
Due to joint venture partners	476,974,248	491,051,555	(14,077,307)	-3%	1%	1%
Advances from related parties	600,225,613	645,983,964	(45,758,351)	-7%	1%	1%
Customer's deposit	381,549,776	1,293,781,652	(912,231,876)	-71%	1%	2%
Lease liabilities	48,987,432	45,922,954	3,064,478	7%	0%	0%
TOTAL CURRENT LIABILITIES	8,837,997,235	9,595,390,150	(757,392,915)	-8%	14%	15%
Interest bearing loans and borrowings	7,729,279,492	7,603,919,109	125,360,383	2%	12%	12%
Contract liabilities	152,590,801	262,195,658	(109,604,857)	-42%	0%	0%
Customer's deposit	156,059,285	53,829,261	102,230,024	190%	0%	0%
Retirement benefit obligation	215,629,086	188,592,383	27,036,703	14%	0%	0%
Deferred tax liability	3,597,632,628	3,442,881,985	154,750,643	4%	6%	5%
Lease liabilities	571,815,437	419,873,334	151,942,103	36%	1%	1%
Other non-current liabilities	654,920,584	577,727,973	77,192,611	13%	1%	1%
TOTAL NON-CURRENT LIABILITIES	13,077,927,313	12,549,019,703	528,907,610	4%	20%	20%
TOTAL LIABILITIES	21,915,924,548	22,144,409,853	(228,485,305)	-1%	34%	35%
EQUITY						
Capital stock	10,986,000,000	10,986,000,000	-	0%	17%	17%
Additional paid-in capital	4,747,739,274	4,747,739,274	-	0%	7%	8%
Revaluation reserves	62,235,243	52,333,151	9,902,092	19%	0%	0%
Retained earnings	20,215,523,301	18,410,992,600	1,804,530,701	10%	31%	29%
Equity attributable to shareholders of the Parent Company	36,011,497,818	34,197,065,025	1,814,432,793	5%	56%	54%
Non-controlling interest	6,738,863,049	6,508,630,644	230,232,405	4%	10%	10%
Total Equity	42,750,360,867	40,705,695,669	2,044,665,198	5%	66%	65%
TOTAL LIABILITIES AND EQUITY	64,666,285,415	62,850,105,522	1,816,179,893	3%	100%	100%

The Group's financial position remained stable as of December 31, 2025, with total assets amounting to Php 64.7 billion, an increase of Php 1.8 billion or 3% from Php 62.9 billion as of December 31, 2024. The increase was primarily attributable to higher trade and other receivables, inventories, and advances to related parties, partially offset by the decline in contract assets, advances to real estate property owners and property and equipment.

Trade and other receivables increased by 6% to Php 16.2 billion from Php 15.3 billion, primarily due to installment sales recognized during the year. Contract assets decreased by 21% to Php 3.9 billion from Php 5.0 billion, mainly due to collections and reclassification to trade receivables upon completion of projects.

Advances to related parties increased by 49% to Php 957.3 million, reflecting additional advances extended during the year. Meanwhile, advances to real property owners decreased by 17% to Php 1.1 billion, due to collections from joint venture partners.

Inventories increased by 7% to Php 21.3 billion from Php 19.8 billion, primarily due to ongoing development and completion of various projects. Property and equipment decreased by 11%, mainly due to depreciation for the period. Right-of-use assets increased by 135% or Php 164.0 million, attributable to new lease agreements recognized during the year. Other current and non-current assets increased by 5%, mainly due to higher advances to contractors and suppliers.

Total liabilities decreased by Php 228.5 million or 1% from the prior year. Contract liabilities increased by 6% to Php 370.2 million, reflecting higher collections on uncompleted projects relative to the percentage of completion. Advances from related parties decreased by 7% or Php 45.8 million, due to settlements made during the year.

Customers' deposits decreased by 60% to Php 537.6 million, as deposits were recognized as revenue during the period. Retirement benefit obligation increased by 14%, due to higher actuarial accruals. Deferred tax liabilities increased by 5% to Php 3.6 billion, due to higher taxable temporary differences. Lease liabilities increased by 33% to Php 620.8 million, in line with new lease arrangements. Other non-current liabilities increased by 13% or Php 77.2 million, primarily due to higher retention payables and security deposits.

Shareholders' equity increased by 5% to Php 36.0 billion from Php 34.2 billion, mainly attributable to the net income recognized during the year.

*Material Changes in the Statements of Final Position for the year ended December 31, 2025
(Increase/ decrease of 5% or more versus December 31, 2024 as restated)*

- 6% increase in Trade and other receivables – mainly due to installment sales recognized during the year.
- 21% decrease in Contract assets – primarily due to completion of projects and corresponding reclassification to trade receivables.
- 49% increase in Advances to related parties – due to additional advances extended during the period.
- 17% decrease in Advances to real property owners – attributable to collections from joint venture partners.
- 7% increase in Inventories – mainly due to the progress and completion of various projects under construction.
- 11% decrease in Property and equipment – due to depreciation for the period.
- 135% increase in Right of use-asset – reflecting new lease arrangements recognized during the year.
- 5% increase in Other current and non-current assets – primarily due to higher Advances to contractors and suppliers.
- 6% increase in Contract Liabilities - due to higher collections on uncompleted

- projects relative to percentage of completion.
- 7% decrease in Advances from related parties – due to settlement during the year.
 - 60% decrease in Customer's deposit – as these were recognized as revenue during the period.
 - 14% increase in Retirement benefit obligation – due to accrual of retirement benefit.
 - 5% increase in Deferred tax liability – due to higher taxable temporary difference.
 - 33% increase in Lease liability – in line with new lease arrangement.
 - 13% increase in Other non-current liabilities – mainly due to higher retention payables and security deposits.

Others

As of the year ended December 31, 2025, there are no:

- h. Known trend, demands, commitments, events or uncertainties that would have a material impact on the liquidity of the Company.
- i. Material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.
- j. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the net sales/revenues/income from continuing operations.
- k. Significant elements of income or loss that did not arise from the Company's continuing operations.
- l. Causes for any material changes from period to period in one or more line items of the Company's financial operations.
- m. Seasonal aspects that had a material effect on the financial condition or results of the operations.
- n. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
- o. All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities of other persons created during the reporting period.

Review for the year ended December 31, 2024 as restated

Results of Operations

	Audited		Horizontal Analysis		Vertical Analysis	
	2024	2023	Inc. (Dec.)	%	2024	2023
REVENUES AND INCOME						
Real estate sales	P 5,885,396,891	P 6,508,829,115	(P 623,432,224)	-10%	66%	78%
Hotel operations	956,318,317	567,165,206	389,153,111	69%	11%	7%
Rental income	584,179,297	551,559,805	32,619,492	6%	7%	7%
Service income	248,232,198	191,002,197	57,230,001	30%	3%	2%
Marketing fees	40,897,618	72,567,468	(31,669,850)	-44%	0%	1%
Finance and other income	1,171,495,292	447,540,825	723,954,467	162%	13%	5%
TOTAL REVENUE	8,886,519,613	8,338,664,616	547,854,997	7%	100%	100%
COSTS AND EXPENSES						
Cost of real estate sales	2,422,416,935	2,798,985,876	(376,568,941)	-13%	27%	34%
Cost of rentals and services	371,395,395	365,948,174	5,447,221	1%	4%	4%
Cost of hotel operations	528,879,515	297,442,621	231,436,894	78%	6%	4%
Other operating expenses	2,020,349,166	1,571,114,937	449,234,229	29%	23%	19%
Finance costs and other charges	837,329,141	378,439,296	458,889,845	121%	9%	5%
TOTAL COSTS AND EXPENSES	6,180,370,152	5,411,930,904	768,439,248	14%	70%	65%
PROFIT BEFORE TAX	2,706,149,461	2,926,733,712	(220,584,251)	-8%	30%	35%
TAX EXPENSE	549,542,890	816,757,817	(267,214,927)	-33%	6%	10%
NET PROFIT	2,156,606,571	2,109,975,895	46,630,676	2%	24%	25%
OTHER COMPREHENSIVE INCOME (LOSS)						
REVALUATION RESERVE	(10,333,204)	(8,837,718)	(1,495,486)	17%	0%	0%
OTHER COMPREHENSIVE INCOME (LOSS)	(10,333,204)	(8,837,718)	(1,495,486)	17%	0%	0%
TOTAL COMPREHENSIVE INCOME	P 2,146,273,367	P 2,101,138,177	P 45,135,190	2%	24%	24%
Net profit attributable to:						
Parent Company's shareholders	P 1,780,517,595	P 1,840,185,198	(59,667,603)	-3%	20%	22%
Non-controlling interest	376,088,976	269,790,697	106,298,279	39%	4%	3%
TOTAL	P 2,156,606,571	P 2,109,975,895	P 46,630,676	2%	24%	25%
Total comprehensive income attributable to:						
Parent Company's shareholders	P 1,770,184,391	P 1,831,347,480	(61,163,089)	-3%	20%	22%
Non-controlling interest	376,088,976	269,790,697	106,298,279	39%	4%	3%
TOTAL	P 2,146,273,367	P 2,101,138,177	P 45,135,190	2%	24%	25%

For the year ended December 31, 2024, the Group reported consolidated net income of Php 2.16 billion, representing an increase of Php 0.04 billion or 2% from Php 2.11 billion in 2023. The increase was primarily attributable to growth in revenues, partially offset by higher costs and expenses during the period.

Consolidated revenues amounted to Php 8.89 billion, with the bulk derived from real estate sales, hotel operations, rental income, and finance and other income. Revenue growth was mainly driven by continued sales of residential lots and condominium units across key developments, including Newcoast Village (Malay, Aklan), Sta. Barbara Heights (Iloilo), Twin Lakes developments (Laurel, Batangas), Southwoods City projects, Alabang West, Eastland Heights (Antipolo, Rizal), and Arden Botanical Estate (Cavite), as well as condominium projects in Boracay, Southwoods City, Laguna and Twin Lakes.

Cost and expenses amounted to Php 6.73 billion, representing an increase of Php 0.50 billion or 8% from Php 6.23 billion in 2023. The increase was primarily due to higher cost of hotel operations, increased operating expenses, and higher finance costs and other charges.

As a result, while revenues increased, margin expansion was partially offset by higher operating and financing costs, resulting in a modest increase in net income for the year.

*Material Changes in the Statements of Comprehensive Income the year ended December 31, 2024
(Increase/ decrease of 5% or more versus December 31, 2023 as restated)*

- 10% decrease in Real estate sales – mainly due to implementation of new accounting standard on concept of significant financing component in the contract to sell.
- 6% increase in Rental income – driven by higher occupancy rates and improved tenant sales.
- 69% increase in Hotel Operations – mainly due to higher occupancy and the continued recovery in tourism and travel.
- 30% increase in Service Income – due to higher service-related revenues during the year.
- 44% decrease in Marketing fees – due to lower marketing income from sale of joint venture partners' inventory.
- 162% increase in Finance and other income – mainly attributable to higher interest income recognized on real estate sales in line with the implementation of the significant financing component under the new accounting standard.
- 13% decrease in Cost of real estate sales – consistent with the decline in real estate sales .
- 78% increase in Cost of hotel operations – in line with the increase in hotel revenues.
- 29% increase in Operating expenses – primarily due to higher expenses directly related to increased revenues, including commissions, hotel-related expenses, and other administrative costs.
- 121% increase in Finance cost and other charges – mainly due to the implementation of the new accounting standard on borrowing cost for real estate industry.
- 33% decrease on Income tax expense – primarily due to the reversal of deferred tax liabilities on capitalized borrowing costs in connection with the implementation of the new accounting standard.

Financial Condition

	Audited		Horizontal Analysis		Vertical Analysis	
	December 31, 2024, as restated	January 1, 2024, as restated	Inc. (Dec.)	%	2024	2023
Cash and Cash equivalent	2,294,241,764	2,126,242,354	167,999,410	8%	4%	3%
Trade and other receivables - net	11,567,141,423	8,748,155,409	2,818,986,014	32%	18%	14%
Contract Assets	4,473,585,570	4,002,000,089	471,585,481	12%	7%	6%
Advances to real property owners	45,424,169	43,536,149	1,888,020	4%	0%	0%
Advances to related parties	642,546,103	654,603,185	(12,057,082)	-2%	1%	1%
Inventories	19,811,862,169	21,153,887,807	(1,342,025,638)	-6%	32%	34%
Prepayments and other current assets	4,097,979,626	4,162,728,557	(64,748,931)	-2%	7%	7%
TOTAL CURRENT ASSETS	42,932,780,824	40,891,153,550	2,041,627,274	5%	68%	66%
Trade and other receivables - net	3,757,018,414	5,029,437,719	(1,272,419,305)	-25%	6%	8%
Contract Assets	526,379,353	1,805,263,926	(1,278,884,573)	-71%	1%	3%
Advances to real estate property owners	1,324,000,935	1,293,330,994	30,669,941	2%	2%	2%
Investment in associates	731,407,570	732,082,333	(674,763)	0%	1%	1%
Investment Properties - net	11,790,096,602	10,465,722,472	1,324,374,130	13%	19%	17%
Property and equipment - net	897,342,019	879,823,190	17,518,829	2%	1%	1%
Right-of-use asset	121,739,208	174,741,364	(53,002,156)	-30%	0%	0%
Other non-current assets	769,340,597	515,735,051	253,605,546	49%	1%	1%
TOTAL NON-CURRENT ASSETS	19,917,324,698	20,896,137,049	(978,812,351)	-5%	32%	34%
TOTAL ASSETS	62,850,105,522	61,787,290,599	1,062,814,923	2%	100%	100%
Interest bearing loans and borrowings	1,908,200,000	1,527,430,205	380,769,795	25%	3%	2%
Trade and other payables	5,123,765,855	4,578,282,611	545,483,244	12%	8%	7%
Contract liabilities	86,684,170	479,315,525	(392,631,355)	-81%	0%	1%
Due to joint venture partners	491,051,555	493,245,600	(2,194,045)	0%	1%	1%
Advances from related parties	645,983,964	692,155,728	(46,171,764)	-7%	1%	1%
Customer's deposit	1,293,781,652	646,053,302	647,728,350	100%	2%	1%
Lease liabilities	45,922,954	51,944,177	(6,021,223)	-12%	0%	0%
TOTAL CURRENT LIABILITIES	9,595,390,150	8,468,427,148	1,126,963,002	13%	15%	14%
Interest bearing loans and borrowings	7,603,919,109	7,966,639,384	(362,720,275)	-5%	12%	13%
Contract liabilities	262,195,658	446,497,334	(184,301,676)	-41%	0%	1%
Customer's deposit	53,829,261	591,620,464	(537,791,203)	-91%	0%	1%
Retirement benefit obligation	188,592,383	142,618,469	45,973,914	32%	0%	0%
Deferred tax liability	3,442,881,985	3,282,401,885	160,480,100	5%	5%	5%
Lease liabilities	419,873,334	465,796,288	(45,922,954)	-10%	1%	1%
Other non-current liabilities	577,727,973	495,027,399	82,700,574	17%	1%	1%
TOTAL NON-CURRENT LIABILITIES	12,549,019,703	13,390,601,223	(841,581,520)	-6%	20%	22%
TOTAL LIABILITIES	22,144,409,853	21,859,028,371	285,381,482	1%	35%	35%
EQUITY						
Capital stock	10,986,000,000	10,986,000,000	-	0%	17%	18%
Additional paid-in capital	4,747,739,274	4,747,739,274	-	0%	8%	8%
Retained reserves	52,333,151	62,666,355	(10,333,204)	-16%	0%	0%
Retained earnings	18,410,992,600	17,729,120,394	681,872,206	4%	29%	29%
Equity attributable to shareholders of the Parent Company	34,197,065,025	33,525,526,023	671,539,002	2%	54%	54%
Non-controlling interest	6,508,630,644	6,402,736,205	105,894,439	2%	10%	10%
Total Equity	40,705,695,669	39,928,262,228	777,433,441	2%	65%	65%
TOTAL LIABILITIES AND EQUITY	62,850,105,522	61,787,290,599	1,062,814,923	2%	100%	100%

The Group's financial position remained stable as of December 31, 2024, with sufficient capacity to support its growth. Total assets amounted to Php 62.9 billion, representing an increase of Php 1.1 billion or 2% from Php 61.8 billion as of December 31, 2023. The increase was primarily attributable to higher cash and cash equivalents, trade and other receivables and investment properties, partially offset by the decline in inventories and contract assets.

Cash and cash equivalents increased by 8% to Php 2.3 billion from Php 2.1 billion, mainly due

to higher collections and additional interest-bearing loans and borrowings. Trade and other receivables increased by 11% to Php 15.3 billion from Php 13.8 billion, primarily due to installment sales recognized during the year. Contract assets decreased by 14% to Php 5.0 billion from Php 5.8 billion, mainly due to completion of projects and corresponding reclassification to trade receivables.

Inventories decreased by 6% to Php 19.8 billion from Php 21.2 billion, primarily due to changes in accounting treatment of borrowing costs and reclassification of certain properties to investment properties, which increased by 13% during the year. Right-of-use assets decreased by 30%, mainly due to amortization.

On the liabilities side, trade and other payables increased by 12% to Php 5.1 billion from Php 4.6 billion, primarily due to higher payables to contractors and suppliers. Contract liabilities decreased by 62% to Php 348.9 million from Php 925.8 million, mainly due to lower sales from uncompleted projects relative to collections.

Advances from related parties decreased by 7% or Php 46.2 million, due to settlements made during the year. Customers' deposits increased by 9% to Php 1.3 billion, reflecting collections from existing buyers and new reservation sales. Retirement benefit obligation increased by 32%, due to higher actuarial accruals. Deferred tax liabilities increased by 5% to Php 3.4 billion, due to higher taxable temporary differences.

Lease liabilities decreased by 10% to Php 465.8 million from Php 517.7 million, mainly due to the expiration of a lease contract during the period.

Other non-current liabilities increased by 16%, mainly due to higher retention payable.

Shareholders' Equity increased from Php 33.5 billion to Php 34.2 billion mainly due to net income for the year.

*Material Changes in the Statements of Final Position for the year ended December 31, 2024
(Increase/decrease of 5% or more versus December 31, 2023 as restated)*

- 8% increase in Cash and cash equivalents – primarily due to higher collections and additional interest-bearing loans and borrowings.
- 11% increase in Trade and other receivables – mainly due to higher installment sales recognized during the year.
- 14% decrease in Contract assets – primarily due to completion of projects and corresponding reclassification to trade receivables.
- 6% decrease in Inventories – mainly due to change in accounting treatment of borrowing costs and reclassification of certain properties to Investment Properties.
- 13% increase in Investment Properties – mainly transfer from Inventories.
- 30% decrease in Right of use-asset – due to amortization for the period.
- 12% increase in Trade and other payables – mainly due higher payables to contractors and suppliers.
- 62% decrease in Contract Liabilities - due to lower sales from uncompleted projects relative to collections.
- 7% decrease in Advances from related parties – due to settlements made during the year.
- 9% increase in Customer's deposit – reflecting collection from existing buyers and new

reservation sales.

- 32% increase in Retirement benefit obligation – due to higher accrual of retirement benefit.
- 5% increase in Deferred tax liability – due to higher taxable temporary difference.
- 10% decrease in Lease liability – mainly due to the expiration of a lease contract during the period.
- 16% increase in Other Non-current Liabilities – mainly due to higher retention payable.

Others

As of the year ended December 31, 2024, there are no:

- a. Known trend, demands, commitments, events or uncertainties that would have a material impact on the liquidity of the Company.
- b. Material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.
- c. Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the net sales/revenues/income from continuing operations.
- d. Significant elements of income or loss that did not arise from the Company's continuing operations.
- e. Causes for any material changes from period to period in one or more line items of the Company's financial operations.
- f. Seasonal aspects that had a material effect on the financial condition or results of the operations.
- g. Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
- h. All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities of other persons created during the reporting period.

Review for the year ended December 31, 2023 as restated

Results of Operations

	Audited		Horizontal Analysis		Vertical Analysis	
	2023 as restated	2022 as restated	Inc. (Dec.)	%	2023	2022
REVENUES AND INCOME						
Real estate sales	P 6,508,829,115	P 5,899,854,122	P 608,974,993	10%	78%	80%
Hotel operations	567,165,206	420,470,075	146,695,131	35%	7%	6%
Rental income	551,559,805	455,961,990	95,597,815	21%	7%	6%
Service income	191,002,197	138,379,243	52,622,954	38%	2%	2%
Marketing fees	72,567,468	68,717,195	3,850,273	6%	1%	1%
Finance and other income	447,540,825	346,907,590	100,633,235	29%	5%	5%
TOTAL REVENUE	8,338,664,616	7,330,290,215	1,008,374,401	14%	100%	100%
COSTS AND EXPENSES						
Cost of real estate sales	2,798,985,876	2,144,625,053	654,360,823	31%	34%	29%
Cost of rentals and services	365,948,174	319,643,144	46,305,030	14%	4%	4%
Cost of hotel operations	297,442,621	191,572,019	105,870,602	55%	4%	3%
Other operating expenses	1,571,114,937	1,487,531,823	83,583,114	6%	19%	20%
Finance costs and other charges	378,439,296	400,358,698	(21,919,402)	-5%	5%	5%
TOTAL COSTS AND EXPENSES	5,411,930,904	4,543,730,737	868,200,167	19%	65%	62%
PROFIT BEFORE TAX	2,926,733,712	2,786,559,478	140,174,234	5%	35%	38%
TAX EXPENSE	816,757,817	702,803,615	113,954,202	16%	10%	10%
NET PROFIT	2,109,975,895	2,083,755,863	26,220,032	1%	25%	28%
OTHER COMPREHENSIVE INCOME (LOSS)						
REVALUATION RESERVE	(8,837,718)	38,918,313	(47,756,031)	-123%	0%	1%
OTHER COMPREHENSIVE INCOME (LOSS)	(8,837,718)	38,918,313	(47,756,031)	-123%	0%	1%
TOTAL COMPREHENSIVE INCOME	P 2,101,138,177	P 2,122,674,176	(P 21,535,999)	-1%	25%	25%
Net profit attributable to:						
Parent Company's shareholders	P 1,840,185,198	P 1,789,342,344	50,842,854	3%	22%	24%
Non-controlling interest	269,790,697	294,413,519	(24,622,822)	-8%	3%	4%
TOTAL	P 2,109,975,895	P 2,083,755,863	P 26,220,032	1%	25%	28%
Total comprehensive income attributable to:						
Parent Company's shareholders	P 1,831,347,480	P 1,828,260,657	3,086,823	0%	22%	25%
Non-controlling interest	269,790,697	294,413,519	(24,622,822)	-8%	3%	4%
TOTAL	P 2,101,138,177	P 2,122,674,176	(P 21,535,999)	-1%	25%	29%

For the year ended December 31, 2023, the Group reported consolidated net income of Php 2.11 billion, representing an increase of Php 0.03 billion or 1% from Php 2.08 billion in 2022. The increase was primarily attributable to growth in revenues, partially offset by higher costs and expenses during the period.

Consolidated revenues amounted to Php 8.34 billion, with the bulk derived from real estate sales, hotel operations, rental income, and service income. Revenue growth was mainly driven by continued sales of residential lots and condominium units across key developments, including Newcoast Village (Malay, Aklan), Sta. Barbara Heights (Iloilo), Twin Lakes developments (Laurel, Batangas), Southwoods City projects, Alabang West, Eastland Heights (Antipolo, Rizal), and Arden Botanical Estate (Cavite), as well as condominium projects in Boracay and Southwoods City.

Cost and expenses amounted to Php 6.23 billion, representing an increase of Php 0.99 billion

or 19% from Php 5.25 billion in 2022. The increase was primarily due to higher cost of real estate sales, hotel operations, rentals and services, and income tax expense.

As a result, while revenues increased, margin expansion was constrained by higher operating and tax-related costs, resulting in a modest increase in net income for the year.

Material Changes in the Statements of Comprehensive Income the year ended December 31, 2023 as restated (Increase/decrease of 5% or more versus December 31, 2022 as restated)

- 10% increase in Real estate sales – primarily due to higher sales recognized during the period.
- 21% increase in Rental income – driven by higher occupancy rates and improved tenant sales.
- 35% increase in Hotel Operations – mainly due to higher occupancy and the continued recovery in tourism and travel.
- 38% increase in Service Income – reflecting higher service-related revenues during the year.
- 6% increase in Marketing fees – due to higher marketing income from the sale of joint venture partners' inventory.
- 29% increase in Finance and other income – mainly attributable to higher interest income on real estate sales and other income sources.
- 31% increase in Cost of real estate sales – in line with the increase in real estate sales.
- 14% increase in Cost of rentals and services – primarily due to costs directly related to higher rental and service income.
- 55% increase in Cost of hotel operations – consistent with the increase in hotel revenues.
- 6% increase in Operating expenses – mainly due to higher expenses directly related to increased revenues, including commissions, hotel-related expenses.
- 5% decrease in Finance cost and other charges – primarily due to lower other finance charges.
- 16% increase on Income tax expense – due to increase in taxable income for the period.

Financial Condition

	Audited		Horizontal Analysis		Vertical Analysis	
	January 1, 2024, as restated	January 1, 2023, as restated	Inc. (Dec.)	%	2023	2022
Cash and Cash equivalent	2,126,242,354	2,354,706,901	(228,464,547)	-10%	3%	4%
Trade and other receivables - net	8,748,155,409	8,607,314,942	140,840,467	2%	14%	15%
Contract Assets	4,002,000,089	3,438,659,294	563,340,795	16%	6%	6%
Advances to real property owners	43,536,149	55,896,013	(12,359,864)	-22%	0%	0%
Advances to related parties	654,603,185	672,948,672	(18,345,487)	-3%	1%	1%
Inventories	21,153,887,807	20,023,795,404	1,130,092,403	6%	34%	35%
Prepayments and other current assets	4,162,728,557	3,949,207,036	213,521,521	5%	7%	7%
TOTAL CURRENT ASSETS	40,891,153,550	39,102,528,262	1,788,625,288	5%	66%	68%
Trade and other receivables - net	5,029,437,719	3,220,535,535	1,808,902,184	56%	8%	6%
Contract Assets	1,805,263,926	1,062,583,443	742,680,483	70%	3%	2%
Advances to real estate property owners	1,293,330,994	1,272,206,783	21,124,211	2%	2%	2%
Investment in associates	732,082,333	731,197,235	885,098	0%	1%	1%
Investment Properties - net	10,465,722,472	10,705,712,498	(239,990,026)	-2%	17%	19%
Property and equipment - net	879,823,190	883,770,248	(3,947,058)	0%	1%	2%
Right-of-use asset	174,741,364	214,283,001	(39,541,637)	-18%	0%	0%
Other non-current assets	515,735,051	148,190,871	367,544,180	248%	1%	0%
TOTAL NON-CURRENT ASSETS	20,896,137,049	18,238,479,614	2,657,657,435	15%	34%	32%
TOTAL ASSETS	61,787,290,599	57,341,007,876	4,446,282,723	8%	100%	100%
Interest bearing loans and borrowings	1,527,430,205	1,587,254,907	(59,824,702)	-4%	2%	3%
Trade and other payables	4,578,282,611	4,064,589,034	513,693,577	13%	7%	7%
Contract liabilities	479,315,525	595,562,676	(116,247,151)	-19%	1%	1%
Due to joint venture partners	493,245,600	386,706,191	106,539,409	28%	1%	1%
Advances from related parties	692,155,728	851,450,654	(159,294,926)	-19%	1%	1%
Customer's deposit	646,053,302	1,384,011,046	(737,957,744)	-53%	1%	2%
Lease liabilities	51,944,177	43,931,742	8,012,435	18%	0%	0%
TOTAL CURRENT LIABILITIES	8,468,427,148	8,913,506,250	(445,079,102)	-5%	14%	16%
Interest bearing loans and borrowings	7,966,639,384	6,018,414,593	1,948,224,791	32%	13%	10%
Contract liabilities	446,497,334	310,926,830	135,570,504	44%	1%	1%
Customer's deposit	591,620,464	97,981,763	493,638,701	504%	1%	0%
Retirement benefit obligation	142,618,469	111,012,219	31,606,250	28%	0%	0%
Deferred tax liability	3,282,401,885	2,665,766,500	616,635,385	23%	5%	5%
Lease liabilities	465,796,288	511,064,915	(45,268,627)	-9%	1%	1%
Other non-current liabilities	495,027,399	513,118,898	(18,091,499)	-4%	1%	1%
TOTAL NON-CURRENT LIABILITIES	13,390,601,223	10,228,285,718	3,162,315,505	31%	22%	18%
TOTAL LIABILITIES	21,859,028,371	19,141,791,969	2,717,236,402	14%	35%	33%
EQUITY						
Capital stock	10,986,000,000	10,986,000,000	-	0%	18%	19%
Additional paid-in capital	4,747,739,274	4,747,739,274	-	0%	8%	8%
Revaluation reserves	62,666,355	71,504,073	(8,837,718)	-12%	0%	0%
Retained earnings	17,729,120,394	16,013,019,982	1,716,100,412	11%	29%	28%
Equity attributable to shareholders of the Parent Company	33,525,526,023	31,818,263,329	1,707,262,694	5%	54%	55%
Non-controlling interest	6,402,736,205	6,380,952,578	21,783,627	0%	10%	11%
Total Equity	39,928,262,228	38,199,215,907	1,729,046,321	5%	65%	67%
TOTAL LIABILITIES AND EQUITY	61,787,290,599	57,341,007,876	4,446,282,723	8%	100%	100%

The Group's financial position remained stable as of December 31, 2023, with sufficient capacity to support its growth. Total assets amounted to Php 61.8 billion, representing an increase of Php 4.4 billion or 8% from Php 57.3 billion as of December 31, 2022. The increase was primarily attributable to higher trade and other receivables, contract assets, inventories, and other assets, partially offset by the decline in cash and cash equivalents, investment properties and right-of-use assets.

Cash and cash equivalents decreased by 10% to Php 2.1 billion from Php 2.4 billion, mainly due to payments to contractors and suppliers for ongoing project developments. Trade and

other receivables increased by 17% to Php 13.8 billion from Php 11.8 billion, primarily due to installment sales recognized during the year. Contract assets increased by 29% to Php 5.8 billion from Php 4.5 billion, driven by additional sales from uncompleted projects where the percentage of completion exceeded collections.

Inventories increased by 6% to Php 21.2 billion from Php 20.0 billion, mainly due to the progress of various projects under construction. Right-of-use assets decreased by 19%, due to amortization. Other current and non-current assets increased by 14% to Php 4.7 billion from Php 4.1 billion, primarily due to higher advances to contractors and suppliers.

On the liabilities side, trade and other payables increased by 13% to Php 4.6 billion from Php 4.1 billion, mainly due to higher payables to contractors and suppliers. Interest-bearing loans and borrowings increased by 25% to Php 9.5 billion from Php 7.6 billion, due to the availment of new borrowings. Due to joint venture partners increased by 28% to Php 493.2 million, reflecting higher collections from projects with joint venture partners.

Advances from related parties decreased by 19%, due to settlements made during the year. Customers' deposits decreased by 17% to Php 1.2 billion, as installment sales were recognized during the period. Retirement benefit obligation increased by 29%, due to higher actuarial accruals. Deferred tax liabilities increased by 23% to Php 3.3 billion, due to higher taxable temporary differences. Lease liabilities decreased by 7% to Php 517.7 million, mainly due to the amortization during the period.

Shareholders' equity increased by 5% to Php 39.9 billion from Php 38.2 billion, primarily attributable to the net income generated during the year.

*Material Changes in the Statements of Final Position for the year ended December 31, 2023 as restated
(Increase/ decrease of 5% or more versus December 31, 2022 as restated)*

- 10% decrease in Cash and cash equivalents – mainly due to payments to contractors and suppliers for the ongoing development of various projects.
- 17% increase in Trade and other receivables – primarily due to higher installment sales recognized during the year.
- 29% increase in Contract assets – driven by additional sales from uncompleted projects where the percentage of completion exceeded collections.
- 6% increase in Inventories – mainly due to the progress of various projects under construction.
- 19% decrease in Right of use-asset – due to amortization for the period.
- 14% increase in Other current and non-current assets – primarily due to higher advances to contractors and suppliers.
- 13% increase in Trade and other payables – mainly due to higher payables to contractors and suppliers.
- 25% increase in Interest-bearing loans and borrowings – reflecting the availment of new loans.
- 28% increase in Due to joint venture partners – attributable to higher collections from projects with joint venture partners.
- 19% decrease in Advances from related parties – due to settlements made during the year.
- 17% decrease in Customer's deposit – due to installment sales recognized for the period.

- 29% increase in Retirement benefit obligation – due to increase in accrual of retirement benefit.
- 23% increase in Deferred tax liability – due to higher taxable temporary difference.
- 7% decrease in Lease liability – due to amortization for the period.

Others

As of the year ended December 31, 2023, there are no:

- Known trend, demands, commitments, events or uncertainties that would have a material impact on the liquidity of the Company.
- Material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the net sales/revenues/income from continuing operations.
- Significant elements of income or loss that did not arise from the Company's continuing operations.
- Causes for any material changes from period to period in one or more line items of the Company's financial operations.
- Seasonal aspects that had a material effect on the financial condition or results of the operations.
- Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
- All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities of other persons created during the reporting period.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Independent Public Accountants

The Company's Board of Directors and Stockholders, upon the recommendation of the audit committee approved, on 26 June 2025, the designation of Punongbayan and Araullo as the external auditor for the audit of the financial statements of the Company for the year ending 31 December 2025. For the years 2016 to 2022, the handling partner has been Mr. Renan Piamonte, an Audit and Assurance partner of Punongbayan and Araullo. Starting year 2023, the handling partner is Mr. Edcel U. Costales, an Audit and Assurance partner of Punongbayan and Araullo.

Changes in Disagreements with Accountants on Accounting and Financial Disclosure

There are no disagreements with the auditors on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which, if not resolved to their satisfaction, would have caused the auditors to make reference thereto in their reports on the financial statements of the Company at its subsidiaries.

External Audit Fees and Services

As provided in the Audit Committee Charter, the Audit Committee review and evaluate the appointment of external auditor of the Company based on the professional qualifications, performance and independence of the external auditor and the lead partner and the corresponding fees for services rendered is subject to the approval of the Audit Committee. The Stockholders upon the recommendation of the Audit Committee approves the appointment of the external auditor of the Company.

For the audit of the Group's financial statements and services that are normally provided by the external auditors in connection with statutory and regulatory filings for the calendar year reports of 2025, 2024, and 2023, the fee was approximately Php 9.19 million, Php 7.50 million, and Php 6.40 million, respectively.

The external auditors rendered no other assurance and related services to the Company other than the items discussed above.

ITEM 9. MARKET FOR REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDERS' MATTERS

(1) Stock Prices

The common shares of the Company are traded on the Philippine Stock Exchange ("PSE") under the symbol of GERI.

	Philippine Stock Exchange	
	Closing Price per Share (₱) 0.66 as of May 14, 2026	
<u>2026</u>	High	Low
First Quarter	0.68	0.68
<u>2025</u>	High	Low
First Quarter	0.58	0.50
<u>Second Quarter</u>	0.76	0.70
<u>Third Quarter</u>	0.68	0.63
<u>Fourth Quarter</u>	0.74	0.69
<u>2024</u>	High	Low
<u>First Quarter</u>	0.94	0.80
<u>Second Quarter</u>	0.89	0.89
<u>Third Quarter</u>	0.75	0.70
<u>Fourth Quarter</u>	0.64	0.60
<u>2023</u>	High	Low
<u>First Quarter</u>	0.91	0.89
<u>Second Quarter</u>	0.89	0.84
<u>Third Quarter</u>	0.87	0.79
<u>Fourth Quarter</u>	0.95	0.80

The market capitalization of GERI as of 31 December 2025 based on the closing price at Php 0.69 per share of GERI's shares at that date, was approximately Php7.580 billion. The price information as of the close of the latest practicable trading date May 14, 2026 is Php 0.66 per share.

Stockholders

GERI has a total of about 4,109 common shareholders as of May 14, 2026.

TOP 20 STOCKHOLDERS AS OF MAY 14, 2026

	STOCKHOLDER'S NAME	NO. OF SHARES	% OF OWNERSHIP
1	MEGAWORLD CORPORATION	9,062,994,139	82.496
2	PCD NOMINEE CORPORATION (FILIPINO)	1,190,218,890	10.834
3	JOSEFINA MULTI-VENTURES CORPORATION	281,409,000	2.562
4	PRYCE CORPORATION	225,748,000	2.055
5	PGI RETIREMENT FUND, INC	75,065,500	0.683
6	FIL-ESTATE MANAGEMENT INC.	38,000,159	0.346
7	F. YAP SECURITIES, INC.	32,947,000	0.300
8	PCD NOMINEE CORPORATION (FOREIGN)	14,563,786	0.133
9	GREENFIELD DEVELOPMENT CORPORATION	8,640,000	0.079
10	JOHN T. LAO	8,000,100	0.073
11	THE ANDRESONS GROUP INC.	8,000,000	0.073
12	LUCIO W. YAN	5,755,000	0.052
13	ROMEO G. ROXAS	3,716,000	0.034
14	AVESCO MARKETING	3,512,106	0.032
15	WILBUR CHAN	2,611,825	0.024
16	GILMORE PROPERTY MARKETING ASSOCIATES, INC.	1,983,000	0.018
17	FEDERAL HOMES, INC.	1,939,860	0.018
18	FRITZ L. DY	1,813,500	0.017
19	DYNALAND PROPERTIES & DEVELOPERS, INC.	1,700,001	0.015
20	MAXIMINO S. UY&/OR LIM HUE HUA	1,478,400	0.013

****Includes direct (9,035,638,139) and indirect (27,356,000) shares***

Dividends

With respect to dividend declaration, the Company is guided by the provisions of its Amended By-Laws, the Revised Corporation Code of the Philippines (RCCP) and relevant issuances of the Securities and Exchange Commission. Payment of dividends, either in the form of cash or stock, will depend upon the Company's earnings, cash flow and financial condition, among other factors. The Company may declare dividends only out of its unrestricted retained earnings. These represent the net accumulated earnings of the Company with its capital unimpaired, which are not appropriated for any other purpose. The Company may pay dividends in cash, by the distribution of property, or by the issue of shares of stock. Dividends paid in cash are

subject to the approval by the Board of Directors. Dividends paid in the form of additional shares are subject to approval by both the Board of Directors and at least two-thirds of the outstanding capital stock of the shareholders at a shareholders' meeting called for such purpose.

The RCCP prohibits stock corporations from retaining surplus profits in excess of 100% of their paid-in capital stock, except when justified by definite corporate expansion projects or programs approved by the Board of Directors, or when the corporation is prohibited under any loan agreement with any financial institution or creditor from declaring dividends without its consent, and such consent has not yet been secured, or when it can be clearly shown that such retention is necessary under special circumstances obtaining in the Corporation.

The retained earnings account as of December 31, 2025 amounting to Php 20.2 billion, December 31, 2024 amounting to Php 18.4 billion, and December 31, 2023 amounting to Php 17.7 billion, are restricted from being declared as dividends to the extent of the undistributed net earnings of subsidiaries and associates. In 2025 and 2023, the Company declared and paid cash dividends amounting to Php 120.0 million and Php 124.1 million, respectively. No declaration of cash dividends was made in 2024 and 2022.

(4) Recent Sales of Unregistered or Exempt Securities including Recent Issuance of Securities Constituting an Exempt Transaction

In 2011, the Board of Directors of the Company approved an Executive Stock Option Plan (ESOP). From 2012 to 2016, the Company granted the option to its key company directors and executives to subscribe to a total of 400 million shares of the Company. The ESOP expired on 16 June 2023. As of that time, none of the Option Holders exercised the options granted to them under the ESOP, and no underlying shares have been subscribed nor fully paid for by the Option Holders in connection therewith. Thus, as of 31 December 2024, no unexercised options remain valid under the ESOP.

Discussion on Compliance with Leading Practice on Corporate Governance

On 10 May 2017, the Board of Directors of the Company formally adopted a New Manual on Corporate Governance (Manual) that incorporates the established governance policies and practices in accordance with SEC Memorandum Circular No. 19, Series of 2016. The Manual shall serve to institutionalize GERI's principles of good corporate governance. For this purpose, the Board of Directors, the Management, the employees and the shareholders of GERI shall exert utmost efforts to promote and encourage awareness of these principles, with the end in view of fostering a corporate environment grounded on sound strategic business management. The Manual guides the Board of Directors and Officers of the Company in their decisions and actions. The Manual also provides for the establishment of an internal self-rating system to determine and measure compliance by the Board and Management to the Manual.

The Company is committed to implementing the Manual and exerts best efforts to comply with the provisions thereof. There has been no material deviation from the Manual. Moreover, none of its directors or key officers committed any violation of any material provision of the Manual.

Conformably with the Manual, the Company's directors and key officers attended a Corporate Governance Seminars in 2024, which seminars were conducted by the conducted by P&A Grant Thornton, Institute of Corporate Directors and Center for Global Practices.

The Company is continuously finding ways to improve and enhance its existing systems and processes, as well as current practices, with the end view of complying with leading practices on good corporate governance.

The Company affirms its deep commitment to a high standard of corporate governance practice firmly anchored on the principles of good corporate governance applied throughout the institution with the end view of fostering a corporate environment grounded on sound strategic business management. The Company's good market reputation has been built on the solid foundation of an ethical corporate culture and responsible business conduct, underpinned by a well-structured and effective system of governance.

Undertaking to Provide Annual Report

THE CORPORATION UNDERTAKES TO PROVIDE EACH STOCKHOLDER WITHOUT CHARGE A COPY OF ITS ANNUAL REPORT ON SEC FORM 17-A UPON WRITTEN REQUEST ADDRESSED TO EITHER OF:

Atty. Maria Carla T. Uykim
Corporate Secretary
9th Floor, Eastwood Global Plaza
Palm Tree Avenue, Eastwood City
Bagumbayan, Quezon City

Banco de Oro Unibank, Inc.
Stock Transfer Department
Makati Ave. Cor. H.V. dela Costa St.
Makati City

ANNEX “C”

AUDITED CONSOLIDATED FINANCIAL STATEMENTS



SECURITIES AND EXCHANGE COMMISSION

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



The following document has been received:

Receiving: DONNA ENCARNADO

Receipt Date and Time: March 30, 2026 03:04:42 PM

Company Information

SEC Registration No.: AS94004462

Company Name: GLOBAL-ESTATE RESORTS, INC.

Industry Classification: K70120

Company Type: Stock Corporation

Document Information

Document ID: OST103302026811144212

Document Type: ANNUAL_REPORT

Document Code: SEC_Form_17-A

Period Covered: December 31, 2025

Submission Type: Original Filing

Remarks: with fs-c and fs-p

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

COVER SHEET

for
FINANCIAL STATEMENTS

Sec Registration Number

A	S	O	9	4	0	0	4	4	6	2
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COMPANY NAME

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

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

9	T	H		F	L	O	O	R		E	A	S	T	W	O	O	D		G	L	O	B	A	L		P	L	A	Z	A
P	A	L	M		T	R	E	E		A	V	E	N	U	E		B	A	G	U	M	B	A	Y	A	N				
1	1	1	0		Q	U	E	Z	O	N		C	I	T	Y															

Form Type

A	A	F	S
---	---	---	---

Department requiring the report

C	R	M	D
---	---	---	---

Secondary License Type, If Applicable

N	/	A	
---	---	---	--

COMPANY INFORMATION

Company's Email Address

lvillanueva@global-estate.ph

Company's Telephone Number/s

5-328-4374

Mobile Number

N/A

No. of Stockholders

4,116

Annual Meeting (Month / Day)

Last Thursday of June

Fiscal Year (Month / Day)

December-31

CONTACT PERSON INFORMATION

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

Name of Contact Person

LAILANI V. VILLANUEVA

Email Address

lvillanueva@global-estate.ph

Telephone Number/s

5-328-4374

Mobile Number

N/A

CONTACT PERSON'S ADDRESS

9/F Eastwood Global Plaza, Palm Tree Ave., Eastwood City, Bagumbayan, Quezon City

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

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



GLOBAL-ESTATE RESORTS, INC.

9th Floor Eastwood Global Plaza Palm Tree Avenue, Bagumbayan 1110 Quezon City NCR, 2nd District Philippines
Telephone No. 328-4374

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The management of **Global-Estate Resorts, Inc. and Subsidiaries** is responsible for the preparation and fair presentation of the financial statements, including the schedules attached therein, for the years ended December 31, 2025, 2024 and 2023 in accordance with the prescribed financial reporting framework indicated therein, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative to do so.

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

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

Punongbayan & Araullo, the independent auditors appointed by the stockholders, has audited the financial statements of the group in accordance with Philippine Standards on Auditing, and in their report to the stockholders, have expressed their opinion on the fairness of presentation upon completion of such audit.

Andrew L. Tan
Chairman of the Board

Monica T. Salomon
President

Lailani V. Villanueva
Chief Finance Officer

Signed this 16th day of March, 2026



GLOBAL-ESTATE RESORTS, INC.

9th Floor Eastwood Global Plaza Palm Tree Avenue, Bagumbayan 1110 Quezon City NCR, 2nd District Philippines
Telephone No. 328-4374

SUBSCRIBED AND SWORN to before me this 25 MAR 2026 day of QUEZON CITY, Philippines, affiant(s) exhibited to me their respective Identification Cards, as follows:

NAMES

Identification Number

Andrew L. Tan
Monica T. Salomon
Lailani V. Villanueva

TIN 125-960-003-000
TIN 182-240-560-000
Unified Multi-Purpose ID CRN -0002-1985165-5

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my Notarial seal on the date and place above written.

Doc No. 302
Page No. 62
Book No. 17
Series of Wm


Atty. Richard Leo M. Baldeza
Notary Public for Quezon City
3/F RV Mitra Bldg., House of Representatives,
Batasan Hills, Quezon City
(NP-080 / 2026-2027)
Until December 31, 2027
Roll No. 53953
PTR No. 5052411 / 02-03-2026 / Plaridel Bulacan
MCLE Compliance No. VII - 26723/04-10-2025
IBP Lifetime No. 7203 (01-17-08)

Consolidated Financial Statements and
Independent Auditors' Report

Global-Estate Resorts, Inc. and Subsidiaries

December 31, 2025, 2024 and 2023

(With Corresponding Figures as of January 1, 2024)

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

Report of Independent Auditors

The Board of Directors and Stockholders
Global-Estate Resorts, Inc. and Subsidiaries
(A Subsidiary of Megaworld Corporation)

9/F Eastwood Global Plaza
Palm Tree Avenue, Eastwood City
Bagumbayan, Quezon City

Opinion

We have audited the consolidated financial statements of Global-Estate Resorts, Inc. and Subsidiaries (the Group), which comprise the consolidated statements of financial position as at December 31, 2025 and 2024, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for each of the three years in the period ended December 31, 2025, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the consolidated financial position of the Group as at December 31, 2025 and 2024, and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). The consolidated financial performance and consolidated cash flows for the year ended December 31, 2023 are presented in accordance with PFRS Accounting Standards, as modified by the application of the financial reporting reliefs issued and approved by the Philippine Securities and Exchange Commission (SEC), as described in Note 2 to the consolidated financial statements.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSA). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics), as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 2 to the consolidated financial statements, which discusses the adoption and impact of the previously deferred provisions of PFRS 15, *Revenue from Contracts with Customers*, and the related financing reporting interpretations affecting the real estate industry, using modified retrospective approach. Our opinion is not modified in respect of this matter.

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.

Revenue Recognition on Real Estate Sales and Determination of Related Costs***Description of the Matter***

The Group's revenue recognition process, policies and procedures on real estate sales are significant to our audit because of the volume of transactions, the complexity of the application of PFRS 15 and the related financial reporting interpretations, and involvement of significant judgment and estimation. Moreover, real estate sales amounted to P5.8 billion or 64.5% of consolidated Revenues and Income while costs of real estate sales amounted to P1.9 billion or 32.1% of consolidated Costs and Expenses for the year ended December 31, 2025. The areas affected by revenue recognition and determination of related costs, which require significant judgment and estimate, include determining when a contract will qualify for revenue recognition, measuring the progress of the development of real estate projects that defines the amount of revenue to be recognized, and determining the amount of actual costs incurred as cost of real estate sales.

The Group's policies for revenue recognition on real estate sales and determination of costs of real estate sales are more fully described in Note 2 to the consolidated financial statements. The significant judgments applied, and estimates used by management related to revenue recognition and cost determination are more fully described in Note 3 to the consolidated financial statements. The breakdown of real estate sales and costs of real estate sales are also disclosed in Notes 19 and 22, respectively, to the consolidated financial statements.

How the Matter was Addressed in the Audit

We obtained an understanding of the revenue recognition policy regarding real estate sales transactions and the related significant business processes of the Group.

Our procedures in testing the appropriateness and proper application of the Group's revenue recognition policy and process include tests of design and operating effectiveness of relevant controls over real estate sale contract generation and recognition, as well as tests of information technology (IT) general controls. We also performed tests of details to ascertain accuracy and occurrence of revenue recognized through examination of real estate sales contracts and other relevant supporting documents of the samples selected and performed overall analytical review of actual results.

As part of our test of compliance with revenue recognition criteria, we evaluated the reasonableness of management's judgment in determining the probability of collection of the consideration in a contract which involves a historical analysis of customer payment pattern and behavior.

Relative to the Group's measurement of progress towards complete satisfaction of performance obligation using the input method, we tested the progress reported for the year in reference to the actual costs incurred relative to the total budgeted project development costs. Our procedures included test of details over recognition and allocation of costs per project and examination of supporting documents. We also conducted ocular inspection of projects selected using risk-based criteria to assess the status of the projects and determine whether the percentage of completion using the input method is consistent with the physical completion of the projects. In testing the reasonableness of budgetary estimates, we ascertained the qualification of projects engineers who prepared the budgets and reviewed the actual performance of completed projects with reference to their budgeted costs.

In relation to cost of real estate sales, we obtained an understanding of the Group's cost accumulation process and performed understanding of relevant controls over cost recognition and measurement, including IT general controls. On a sampling basis, we traced costs accumulated to supporting documents such as invoices, accomplishment reports and official receipts from the contractors and suppliers.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Group's SEC Form 20-IS (Definitive Information Statement), SEC Form 17-A and Annual Report for the year ended December 31, 2025 but does not include the consolidated financial statements and our auditors' report thereon. The SEC Form 20-IS, SEC Form 17-A and Annual Report for the year ended December 31, 2025 are expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audits of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audits, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the relevant accounting frameworks as discussed in Note 2 to the consolidated financial statements, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with PSA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with PSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, 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 audits resulting in this independent auditors' report is Edcel U. Costales.

PUNONGBAYAN & ARAULLO


By: Edcel U. Costales
Partner

CPA Reg. No. 0134633
TIN 274-543-395
PTR No. 10770757, January 6, 2026, Makati City
SEC Group A Accreditation
Partner - No. 134633-SEC (until financial period 2026)
Firm - No. 0002 (until financial period 2030)
BIR AN 08-002551-045-2025 (until November 11, 2028)
BOA/PRC Cert. of Reg. No. 0002/P-017 (until August 12, 2027)

March 16, 2026

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
DECEMBER 31, 2025 AND 2024
(With Corresponding Figures as of January 1, 2024)
(Amounts in Philippine Pesos)

	Notes	2025	December 31, 2024 (As Restated – see Note 2)	January 1, 2024 (As Restated – see Note 2)
<u>ASSETS</u>				
CURRENT ASSETS				
Cash and cash equivalents	5	P 2,268,417,517	P 2,294,241,764	P 2,126,242,354
Trade and other receivables - net	6	12,101,662,209	11,567,141,423	8,748,155,409
Contract assets	19	3,084,755,155	4,473,585,570	4,002,000,089
Advances to real estate property owners	9	81,052,387	45,424,169	43,536,149
Advances to related parties - net	25	957,290,869	642,546,103	654,603,185
Inventories - net	7	21,277,246,943	19,811,862,169	21,153,887,807
Prepayments and other current assets - net	8	4,301,540,398	4,097,979,626	4,162,728,557
Total Current Assets		44,071,965,478	42,932,780,824	40,891,153,550
NON-CURRENT ASSETS				
Trade and other receivables - net	6	4,077,837,042	3,757,018,414	5,029,437,719
Contract assets	19	847,953,590	526,379,353	1,805,263,926
Advances to real estate property owners	9	1,054,420,063	1,324,000,935	1,293,330,994
Investment in associates - net	10	731,055,666	731,407,570	732,082,333
Investment properties - net	11	11,972,032,134	11,790,096,602	10,465,722,472
Property and equipment - net	12	802,769,091	897,342,019	879,823,190
Right-of-use assets - net	13	285,768,316	121,739,208	174,741,364
Other non-current assets - net	14	822,484,035	769,340,597	515,735,051
Total Non-current Assets		20,594,319,937	19,917,324,698	20,896,137,049
TOTAL ASSETS		P 64,666,285,415	P 62,850,105,522	P 61,787,290,599

	Notes	2025	December 31, 2024	January 1, 2024
<u>LIABILITIES AND EQUITY</u>				
CURRENT LIABILITIES				
Interest-bearing loans	15	P 1,859,047,059	P 1,908,200,000	P 1,527,430,205
Trade and other payables	16	5,253,582,920	5,123,765,855	4,578,282,611
Contract liabilities	19	217,630,187	86,684,170	479,315,525
Due to joint venture partners	17	476,974,248	491,051,555	493,245,600
Advances from related parties	25	600,225,613	645,983,964	692,155,728
Customers' deposits	2	381,549,776	1,293,781,652	646,053,302
Lease liabilities	13	48,987,432	45,922,954	51,944,177
Total Current Liabilities		8,837,997,235	9,595,390,150	8,468,427,148
NON-CURRENT LIABILITIES				
Interest-bearing loans	15	7,729,279,492	7,603,919,109	7,966,639,384
Contract liabilities	19	152,590,801	262,195,658	446,497,334
Customers' deposits	2	156,059,285	53,829,261	591,620,464
Retirement benefit obligation	23	215,629,086	188,592,383	142,618,469
Deferred tax liabilities - net	24	3,597,632,628	3,442,881,985	3,282,401,885
Lease liabilities	13	571,815,437	419,873,334	465,796,288
Other non-current liabilities	18	654,920,584	577,727,973	495,027,399
Total Non-current Liabilities		13,077,927,313	12,549,019,703	13,390,601,223
Total Liabilities		21,915,924,548	22,144,409,853	21,859,028,371
EQUITY				
Equity attributable to shareholders of the Parent Company:				
Capital stock	26	10,986,000,000	10,986,000,000	10,986,000,000
Additional paid-in capital		4,747,739,274	4,747,739,274	4,747,739,274
Revaluation reserves		62,235,243	52,333,151	62,666,355
Retained earnings		20,215,523,301	18,410,992,600	17,729,120,394
		36,011,497,818	34,197,065,025	33,525,526,023
Non-controlling interest	10	6,738,863,049	6,508,630,644	6,402,736,205
Total Equity		42,750,360,867	40,705,695,669	39,928,262,228
TOTAL LIABILITIES AND EQUITY		P 64,666,285,415	P 62,850,105,522	P 61,787,290,599

See Notes to Consolidated Financial Statements.

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2025	2024	2023
REVENUES AND INCOME				
Real estate sales	19	P 5,762,839,550	P 5,885,396,891	P 6,508,829,115
Hotel operations	19	885,518,182	956,318,317	567,165,206
Rental income	19	628,568,978	584,179,297	551,559,805
Service income	2	245,565,281	248,232,198	191,002,197
Marketing fees	9	276,462,655	40,897,618	72,567,468
Finance and other income	20	1,138,634,146	1,171,495,292	447,540,825
		<u>8,937,588,792</u>	<u>8,886,519,613</u>	<u>8,338,664,616</u>
COSTS AND EXPENSES				
Cost of real estate sales	21, 22	1,939,737,872	2,422,416,935	2,798,985,876
Cost of hotel operations	21, 22	447,718,650	528,879,515	297,442,621
Cost of rentals and services	21, 22	359,245,568	371,395,395	365,948,174
Other operating expenses	21	2,189,757,710	2,020,349,166	1,571,114,937
Finance costs and other charges	20	1,100,389,911	837,329,141	378,439,296
		<u>6,036,849,711</u>	<u>6,180,370,152</u>	<u>5,411,930,904</u>
PROFIT BEFORE TAX		2,900,739,081	2,706,149,461	2,926,733,712
TAX EXPENSE	24	644,449,584	549,542,890	816,757,817
NET PROFIT		<u>2,256,289,497</u>	<u>2,156,606,571</u>	<u>2,109,975,895</u>
OTHER COMPREHENSIVE INCOME (LOSS)				
Items that will not be reclassified subsequently to consolidated profit or loss				
Remeasurements of retirement benefit obligation	23	13,202,789	(13,777,606)	(11,783,624)
Tax income (expense)	24	(3,300,697)	3,444,402	2,945,906
		<u>9,902,092</u>	<u>(10,333,204)</u>	<u>(8,837,718)</u>
TOTAL COMPREHENSIVE INCOME		<u>P 2,266,191,589</u>	<u>P 2,146,273,367</u>	<u>P 2,101,138,177</u>
Net profit attributable to:				
Parent Company's shareholders		P 1,924,530,701	P 1,780,517,595	P 1,840,185,198
Non-controlling interest		<u>331,758,796</u>	<u>376,088,976</u>	<u>269,790,697</u>
		<u>P 2,256,289,497</u>	<u>P 2,156,606,571</u>	<u>P 2,109,975,895</u>
Total comprehensive income attributable to:				
Parent Company's shareholders		P 1,934,432,793	P 1,770,184,391	P 1,831,347,480
Non-controlling interest		<u>331,758,796</u>	<u>376,088,976</u>	<u>269,790,697</u>
		<u>P 2,266,191,589</u>	<u>P 2,146,273,367</u>	<u>P 2,101,138,177</u>
EARNINGS PER SHARE				
27				
Basic		<u>P 0.175</u>	<u>P 0.162</u>	<u>P 0.168</u>
Diluted		<u>P 0.175</u>	<u>P 0.162</u>	<u>P 0.167</u>

See Notes to Consolidated Financial Statements.

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Attributable to Shareholders of the Parent Company					Non-controlling Interest (see Note 10)	Total Equity
	Capital Stock (see Note 26)	Additional Paid-in Capital	Revaluation Reserves (see Notes 23 and 24)	Retained Earnings (see Note 26)	Total		
Balance at January 1, 2025	P 10,986,000,000	P 4,747,739,274	P 52,333,151	P 18,410,992,600	P 34,197,065,025	P 6,508,630,644	P 40,705,695,669
Cash dividends	-	-	-	(120,000,000)	(120,000,000)	(101,526,391)	(221,526,391)
Total comprehensive income for the year	-	-	9,902,092	1,924,530,701	1,934,432,793	331,758,796	2,266,191,589
Balance at December 31, 2025	<u>P 10,986,000,000</u>	<u>P 4,747,739,274</u>	<u>P 62,235,243</u>	<u>P 20,215,523,301</u>	<u>P 36,011,497,818</u>	<u>P 6,738,863,049</u>	<u>P 42,750,360,867</u>
Balance at January 1, 2024, as previously reported	P 10,986,000,000	P 4,747,739,274	P 62,666,355	P 17,729,120,394	P 33,525,526,023	P 6,402,736,205	P 39,928,262,228
Effect of adoption of PFRS 15 and other related interpretations (see Note 2)	-	-	-	(1,098,645,389)	(1,098,645,389)	(141,937,716)	(1,240,583,105)
Balance at January 1, 2024, as adjusted	10,986,000,000	4,747,739,274	62,666,355	16,630,475,005	32,426,880,634	6,260,798,489	38,687,679,123
Cash dividends	-	-	-	-	-	(128,256,821)	(128,256,821)
Total comprehensive income (loss) for the year	-	-	(10,333,204)	1,780,517,595	1,770,184,391	376,088,976	2,146,273,367
Balance at December 31, 2024	<u>P 10,986,000,000</u>	<u>P 4,747,739,274</u>	<u>P 52,333,151</u>	<u>P 18,410,992,600</u>	<u>P 34,197,065,025</u>	<u>P 6,508,630,644</u>	<u>P 40,705,695,669</u>
Balance at January 1, 2023	P 10,986,000,000	P 4,747,739,274	P 71,504,073	P 16,013,019,982	P 31,818,263,329	P 6,380,952,578	P 38,199,215,907
Cash dividends	-	-	-	(124,084,786)	(124,084,786)	(248,007,070)	(372,091,856)
Total comprehensive income (loss) for the year	-	-	(8,837,718)	1,840,185,198	1,831,347,480	269,790,697	2,101,138,177
Balance at December 31, 2023	<u>P 10,986,000,000</u>	<u>P 4,747,739,274</u>	<u>P 62,666,355</u>	<u>P 17,729,120,394</u>	<u>P 33,525,526,023</u>	<u>P 6,402,736,205</u>	<u>P 39,928,262,228</u>

See Notes to Consolidated Financial Statements.

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

	Notes	2025	2024 (As Restated – see Note 2)	2023 (As Restated – see Note 2)
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		P 2,900,739,081	P 2,706,149,461	P 2,926,733,712
Adjustments for:				
Finance income	20	(760,512,450)	(871,826,272)	(256,239,353)
Loss on refund and sales cancellation	20	730,508,360	486,290,819	280,950,630
Depreciation and amortization	21	362,943,501	365,350,693	330,610,025
Finance costs	20	357,323,639	345,576,030	97,488,666
Impairment loss	6	6,048,566	98,340,811	-
Foreign currency gains - net	20	(649,233)	(2,238,530)	(7,868,325)
Equity share in net losses (gains) of associates	10	351,904	674,763	(885,098)
Gain on derecognition of payables	20	-	-	(58,504,431)
Operating profit before working capital changes		3,596,753,368	3,128,317,775	3,312,285,826
Increase in trade and other receivables		(633,555,585)	(981,164,953)	(1,699,558,442)
Decrease (increase) in contract assets		1,524,786,971	136,915,949	(1,306,021,278)
Increase in inventories		(1,158,087,834)	(559,151,588)	(581,977,105)
Increase in prepayments and other current assets		(710,489,915)	(187,885,819)	(714,830,420)
Decrease (increase) in advances to real estate property owners		237,856,327	(32,557,961)	(8,764,347)
Increase in other non-current assets		(18,464,631)	(254,667,816)	(85,743,845)
Increase (decrease) in trade and other payables		(583,643,903)	44,835,340	344,140,720
Increase (decrease) in contract liabilities		358,929	(48,153,773)	19,323,353
Increase (decrease) in customers' deposits		(810,001,852)	109,937,147	(244,319,043)
Increase in retirement benefit obligation		29,323,474	22,927,349	11,185,840
Increase in other non-current liabilities		77,192,611	143,064,033	12,021,146
Cash generated from (used in) operations		1,552,027,960	1,522,415,683	(942,257,595)
Interest paid		(254,608,512)	(231,696,522)	(564,068,008)
Interest received		43,731,535	26,166,971	20,143,974
Cash paid for income taxes		(38,129,136)	(44,586,134)	(15,716,270)
Net Cash From (Used in) Operating Activities		1,303,021,847	1,272,299,998	(1,501,897,899)
CASH FLOWS FROM INVESTING ACTIVITIES				
Additions to:				
Investment properties	11	(536,470,272)	(751,203,559)	(53,193,742)
Property and equipment	12	(163,557,301)	(112,900,727)	(68,705,344)
Software	14	(20,777,698)	(1,111,896)	(2,926,220)
Cash advances granted to related parties	25	(348,656,373)	(37,780,792)	(57,716,432)
Collections of advances to related parties	25	33,911,607	49,837,874	162,806,973
Proceeds from disposals of property and equipment	12	-	472,783	379,464
Net Cash Used in Investing Activities		(1,035,550,037)	(852,686,317)	(19,355,301)
Balance brought forward		P 267,471,810	P 419,613,681	(P 1,521,253,200)

	Notes	2025	2024	2023
<i>Balance carried forward</i>		P 267,471,810	P 419,613,681	(P 1,521,253,200)
CASH FLOWS FROM FINANCING ACTIVITIES				
Proceeds from availment of interest-bearing loans	33	4,000,000,000	1,500,000,000	5,000,000,000
Repayments of interest-bearing loans	33	(3,923,792,558)	(1,481,950,480)	(3,111,599,911)
Cash dividends paid	10, 26	(221,526,391)	(128,256,821)	(372,091,856)
Repayments of advances from related parties	25, 33	(86,381,285)	(105,302,405)	(186,439,309)
Repayment of lease liabilities	33	(67,894,465)	(63,751,311)	(62,506,760)
Cash advances obtained from related parties	25, 33	5,649,409	25,408,216	17,558,165
Net Cash From (Used in) Financing Activities		(293,945,290)	(253,852,801)	1,284,920,329
Effects of Exchange Rates Changes on Cash and Cash Equivalents		649,233	2,238,530	7,868,324
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(25,824,247)	167,999,410	(228,464,547)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		2,294,241,764	2,126,242,354	2,354,706,901
CASH AND CASH EQUIVALENTS AT END OF YEAR		P 2,268,417,517	P 2,294,241,764	P 2,126,242,354

Supplemental information on consolidated statements of cash flows is fully disclosed in Note 33 to the consolidated financial statements

See Notes to Consolidated Financial Statements.

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025, 2024 AND 2023
(Amounts in Philippine Pesos)

1. GENERAL INFORMATION

1.1 Corporate Information

Global-Estate Resorts, Inc. (the Company or GERI) was incorporated in the Philippines on May 18, 1994. It is primarily engaged in the development of integrated tourism and leisure estates, and integrated lifestyle communities with residential, retail, hotel and/or leisure components. The Company also engages in land acquisitions and maintains an inventory of raw land for future development.

The registered office address of the Company, which is also its principal place of business, is located at 9/F Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City.

Megaworld Corporation (Megaworld or the parent company) is the parent company of Global-Estate Resorts, Inc. and subsidiaries (the Group). Megaworld is 61.08% owned by Alliance Global Group, Inc. (AGI), the Company's ultimate parent company.

Megaworld was incorporated in the Philippines primarily to engage in the development of large scale, mixed-use planned communities or townships that integrate residential, commercial, leisure and entertainment components. Megaworld is presently engaged in property-related activities such as product design, construction and property management. Megaworld's real estate portfolio includes residential condominium units, subdivision lots and townhouses, as well as office projects and retail spaces. The registered office address of Megaworld, which is also its principal place of business, is located at the 30th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City.

AGI is a holding company with diversified investments in real estate, food and beverage, quick service restaurants and tourism-entertainment and gaming businesses. AGI's registered office address, which is also its primary place of business, is located at the 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriguez Jr. Avenue, Bagumbayan, Quezon City.

The shares of stock of the Company, Megaworld and AGI are listed at the Philippine Stock Exchange.

1.2 Composition of the Group

The Company holds interests in the following subsidiaries and associates as of December 31, 2025 and 2024 (unless otherwise indicated).

Subsidiaries / Associates	Explanatory Notes	Percentage of Ownership
Subsidiaries:		
Global-Estate Properties, Inc. (GEPI)		100%
Aklan Holdings Inc. (AHI)	(a)	100%
Blue Sky Airways, Inc. (BSAI)	(a)	100%
Fil-Estate Subic Development Corp. (FESDC)	(a)	100%
Fil-Power Construction Equipment Leasing Corp. (FPCELC)	(a)	100%
Golden Sun Airways, Inc. (GSAI)	(a)	100%
La Compañía De Sta. Barbara, Inc. (LCSBI)	(a)	100%
MCX Corporation (MCX)	(a)	100%
Pioneer L-5 Realty Corp. (PLRC)	(a)	100%
Prime Airways, Inc. (PAI)	(a)	100%
Sto. Domingo Place Development Corp. (SDPDC)	(a)	100%
Fil-Power Concrete Blocks Corp. (FPCBC)	(a)	100%
Fil-Estate Industrial Park, Inc. (FEIPI)	(a)	79%
Sherwood Hills Development Inc. (SHDI)	(a)	55%
Global-Estate Golf and Development, Inc. (GEGDI)		100%
Golforce, Inc. (Golforce)	(b)	100%
Southwoods Ecocentrum Corp. (SWEC)	(b)	60%
Philippine Aquatic Leisure Corp. (PALC)	(c)	60%
Global Newcoast Development Corporation (GNDC) [Formerly Fil-Estate Urban Development Corp.]		100%
Novo Sierra Holdings Corp. (NSHC)		100%
Elite Communities Property Services, Inc. (ECPSI)	(d)	100%
Savoy Hotel Boracay, Inc. (SHBI)	(e)	100%
Belmont Hotel Boracay, Inc. (BHBI)	(e)	100%
Chancellor Hotel Boracay, Inc. (CHBI)	(e)	100%
Megaworld Global-Estate, Inc. (MGEI)	(f)	60%
Twin Lakes Corp. (TLC)		51%
Twin Lakes Hotel, Inc. (TLHI)	(g)	51%
Oceanfront Properties, Inc. (OPI)	(h)	50%
Global Homes and Communities, Inc. (GHCI)		100%
Southwoods Mall, Inc. (SMI)		51%
Elite Club & Leisure Inc. (ECLI)	(i)	100%
Integrated Resorts Property Management Inc. (IRPMI)	(i)	100%
Associates:		
Fil-Estate Network, Inc. (FENI)		20%
Fil-Estate Sales, Inc. (FESI)		20%
Fil-Estate Realty and Sales Associates Inc. (FERSAI)		20%
Fil-Estate Realty Corp. (FERC)		20%
Nasugbu Properties, Inc. (NPI)	(j)	14%

Non-controlling interests (NCI) represent the interests not held by the Group in FEIPI, SHDI, SWEC, PALC, MGEI, TLC, TLHI, OPI and SMI (see Note 10.2).

All subsidiaries and associates were incorporated in the Philippines, operate within the country and are engaged in businesses related to the main business of the Company.

Explanatory notes:

- Subsidiaries of GEPI; percentage ownership represents effective ownership of GERI.
- Subsidiaries of GEGDI; percentage ownership represents effective ownership of GERI.
- Subsidiary of SWEC.
- Subsidiary acquired in prior years primarily to manage and administer real estate properties.
- Subsidiaries engaged primarily to operate and manage resort hotels. CHBI is newly incorporated in 2024.
- Subsidiary acquired in prior years primarily to market the Group's projects.
- A subsidiary of TLC. TLHI was incorporated in 2018 to operate Twin Lakes Hotel, one of the real estate projects of TLC.
- Subsidiary through de facto control [see Note 3.1(k)].
- Newly incorporated subsidiaries in 2023, ECLI maintains and manages on the business and operations of clubs, resorts and leisure facilities. IRPMI manages and administers real estate properties.
- Associate through Board of Directors (BOD) representation [see Note 3.1(j)].

1.3 Approval of the Consolidated Financial Statements

The consolidated financial statements of the Group as of and for the year ended December 31, 2025 (including the comparative financial statements as of December 31, 2024, and for the years ended December 31, 2024 and 2023, and the corresponding figures as of January 1, 2024) were authorized for issue by the Group's BOD on March 16, 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information that has been used in the preparation of these consolidated financial statements are summarized below and in the succeeding pages. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group as at and for the years ended December 31, 2025 and 2024 were prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). Prior to January 1, 2024, the Group's consolidated financial statements were prepared in accordance with PFRS Accounting Standards, as modified by the application of the financial reporting reliefs issued and approved by the Philippine Securities and Exchange Commission (SEC) in response to the COVID-19 Pandemic [see Note 2.1(b)]. PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by the relevant accounting frameworks, for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) SEC Financial Reporting Reliefs Availed and Adopted by the Group

Prior to January 1, 2024, the Group has availed of several financial reporting reliefs granted by the SEC relating to the number of implementation issues of PFRS 15, *Revenue from Contracts with Customers*, and the related financial reporting interpretations affecting the real estate industry. In 2024, the Group adopted the previously deferred provisions of PFRS 15, and the related issuances of the Philippine Interpretations Committee (PIC), and International Financial Reporting Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) using modified retrospective approaches allowed by SEC MC No. 08-2021, *Amendment to SEC MC No. 14-2018*, *MC No. 03-2019*, *MC No. 04-2020*, and *MC No. 34-2020 to clarify transitory provision*.

The adoption of these standards and interpretations has resulted to adjustments to the amounts recognized in the consolidated financial statements as at January 1, 2024, with the cumulative effect recognized in equity as an adjustment to the opening balance of Retained Earnings for 2024.

Discussed below are the relevant information about these standards and interpretations, and the resulting adjustments to the relevant consolidated financial statements accounts as at January 1, 2024.

(i) IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) for Real Estate Industry

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

As a result of the adoption of the IFRIC Agenda Decision, Inventories decreased by P1,112.7 million and Deferred Tax Liabilities – net decreased by P187.0 million as at January 1, 2024.

(ii) PIC Q&A No. 2018-12-D, *Concept of the significant financing component in the contract to sell* and PIC Q&A No. 2020-04, *Addendum to PIC Q&A 2018-12-D: Significant Financing Component Arising from Mismatch between the Percentage of Completion and Schedule of Payments*)

PFRS 15 requires that in determining the transaction price, an entity shall adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component.

There is no significant financing component if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference. Further, the Group does not need to adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception that the timing difference of the receipt of full payment of the contract price and that of the completion of the project, are expected within one year and significant financing component is not expected to be significant.

As a result of the adoption of this interpretation, Contract Assets decreased by P863.7 million and Contract Liabilities decreased by P548.9 million as at January 1, 2024.

The cumulative impact of the foregoing standards and interpretations resulted in P1,240.6 million debit adjustment to the Retained Earnings as at January 1, 2024.

(c) *Presentation of Consolidated Financial Statements*

The consolidated financial statements are presented in accordance with PAS 1, *Presentation of Financial Statements*. The Group presents a consolidated statement of comprehensive income separate from the consolidated statement of income.

The Group presents a third consolidated statement of financial position as at the beginning of the preceding period when it applies an accounting policy retrospectively or makes retrospective restatement or reclassification of items that has a material effect on the information in the consolidated statement of financial position at the beginning of the preceding period. The related notes to the third consolidated statement of financial position are not required to be disclosed.

The following retrospective reclassifications were made in 2025:

- (i) In 2025, the Group reclassified deferred commissions amounting to P536.3 million and P349.7 million from Prepayments and Other Current Assets to Other Non-current Assets in the 2024 and 2023 consolidated statements of financial position, respectively, to properly reflect the expected reversal of deferred commissions based on the percentage of completion of related projects (see Note 19.3).
- (ii) The Group reclassified certain advances paid for a purchase of certain property amounting to P86.7 million from Investment Properties to Advances to Related Parties in both 2024 and 2023 consolidated statements of financial position to appropriately reflect the nature and substance of the underlying transaction (see Note 11).
- (iii) To conform with the 2025 cash flow presentation, movements in refundable deposits, previously presented as a separate line item, have been reclassified and included as part of the movements in Other Non-current Assets under operating activities. This change in presentation has no impact on the net cash flows from operating activities for the years ended December 31, 2024 and 2023.

Accordingly, the Group presented a third consolidated statement of financial position as of January 1, 2024, in accordance with the requirement under PAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors*.

The effect of reclassifications in the consolidated statements of financial position as of December 31, 2024 and January 1, 2024 are summarized as follows.

<i>(Amounts in PHP)</i>	<u>Note</u>	<u>As previously reported</u>	<u>Effect of Reclassifications</u>	<u>As restated</u>
<u>December 31, 2024:</u>				
<i>Changes in assets:</i>				
Current:				
Advances to related parties - net	2.1(c)(ii)	555,801,049	86,745,054	642,546,103
Prepayments and other current assets - net	2.1(c)(i)	4,634,292,827	(536,313,201)	4,097,979,626
Non-current:				
Investment properties - net	2.1(c)(ii)	11,876,841,656	(86,745,054)	11,790,096,602
Other non-current assets - net	2.1(c)(i)	233,027,396	536,313,201	769,340,597
Net impact on net assets			<u>-</u>	

<i>(Amounts in PHP)</i>	Note	As previously reported	Effect of Reclassifications	As restated
<u>January 1, 2024:</u>				
<i>Changes in assets:</i>				
Current:				
Advances to related parties - net	2.1(c)(ii)	567,858,131	86,745,054	654,603,185
Prepayments and other current assets - net	2.1(c)(i)	4,512,403,499	(349,674,942)	4,162,728,557
Non-current:				
Investment properties - net	2.1(c)(ii)	10,552,467,526	(86,745,054)	10,465,722,472
Other non-current assets - net	2.1(c)(i)	166,060,109	349,674,942	515,735,051
Net impact on net assets			-	

The effect of reclassifications in the consolidated statements of cash flows for the years ended December 31, 2024 and 2023 are summarized as follows:

<i>(Amounts in PHP)</i>	Note	As previously reported	Effect of Reclassifications	As restated
<u>December 31, 2024:</u>				
<i>Changes in operating activities:</i>				
Increase in prepayments and other current assets - net	2.1(c)(i)	(374,524,078)	186,638,259	(187,885,819)
Decrease in refundable deposits	2.1(c)(iii)	85,209,560	(85,209,560)	-
Increase in other non-current assets - net	2.1(c)(i), 2.1(c)(iii)	(153,239,117)	(101,428,699)	(254,667,816)
Net impact on cash flows			-	
<u>December 31, 2023:</u>				
<i>Changes in operating activities:</i>				
Increase in prepayments and other current assets - net	2.1(c)(i)	(782,707,257)	67,876,837	(714,830,420)
Decrease in refundable deposits	2.1(c)(iii)	1,758,007	(1,758,007)	-
Increase in other non-current assets - net	2.1(c)(i), 2.1(c)(iii)	(19,625,015)	(66,118,830)	(85,743,845)
Net impact on cash flows			-	

The reclassifications did not result in any adjustments to the Group's consolidated statements of comprehensive income and consolidated statements of changes in equity for the years ended December 31, 2024 and 2023.

(d) *Functional and Presentation Currency*

These consolidated financial statements are presented in Philippine Peso, the Group's presentation and functional currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the consolidated financial statements of the Group are measured using the Group's functional currency. Functional currency is the currency of the primary economic environment in which the Group operates.

2.2 Adoption of Amended PFRS Accounting Standards

(a) Effective in 2025 that are Relevant to the Group

The Group adopted for the first time amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*, which are mandatorily effective for annual periods beginning on or after January 1, 2025. The amendments require entities to assess whether a currency is exchangeable and to determine a spot exchange rate when exchangeability is lacking. These amendments also mandate the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendments had no significant impact on the consolidated financial statements of the Group.

(b) Effective Subsequent to 2025 but not Adopted Early

There are new standards and amendments to existing standards effective for annual periods subsequent to 2025, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have a significant impact on the Group's consolidated financial statements:

- (i) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)
- (ii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The new standard, however, does not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.
- (iii) PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Company, and its subsidiaries as enumerated in Note 1.2, after the elimination of material intercompany transactions.

The financial statements of entities in the Group that are prepared as of a date different from that of the date of these consolidated financial statements were adjusted to recognize the effects of significant transactions or events, if any, that occur between that date of their reporting period and the date of these consolidated financial statements. Adjustments are also made to bring into line any dissimilar accounting policies that may exist.

Acquired subsidiaries are subject to either of the following relevant policies:

- (a) Business acquisitions of entities not under common control of a principal stockholder are accounted for using the acquisition method of accounting.
- (b) Business combinations arising from transfers of interests in entities that are under the common control of the principal stockholder are accounted for under the pooling-of interests method. Transfers of assets between commonly-controlled entities are accounted for under historical cost accounting; hence, the assets and liabilities are reflected in the consolidated financial statements at carrying values and no adjustments are made to reflect fair values or recognize any new assets or liabilities, at the date of the combination that otherwise would have been done under the acquisition method. Acquired investment in associate is subject to the purchase method.

2.4 Financial Instruments

(a) Financial Assets

Regular purchases and sales of financial assets are recognized on their trade date (i.e., the date that the Group commits to purchase or sell the asset).

The Group's financial assets include financial assets at amortized cost which are presented in the consolidated statement of financial position as Cash and Cash Equivalents, Trade and Other Receivables [except for value-added tax (VAT) on contracts with customers, Advances to raw landowners and Advances to officers and employees], Advances to Real Estate Property Owners, Advances to Related Parties, and Refundable deposits (as part of Other Non-current Assets account).

Impairment of Financial Assets

The Group applies the simplified approach in measuring expected credit losses (ECL), which uses a lifetime expected loss allowance for all trade and other receivables, contract assets, and other financial assets carried at amortized cost. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. The Group uses historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix. The Group also assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due (see Note 29.2).

In the case of advances to related parties, which are repayable on demand, the contractual period is the very short period needed to transfer the cash once demanded. Management determines possible impairment based on the sufficiency of the related parties' highly liquid assets in order to repay the Group's receivables if demanded at the reporting date taking into consideration the historical defaults of the related parties. If the Group cannot immediately collect its receivables, management considers the expected manner of recovery to measure ECL. If the recovery strategies indicate that the outstanding balance of advances to related parties can be collected, the ECL is limited to the effect of discounting the amount due over the period until cash is realized.

(b) *Financial Liabilities*

Financial liabilities of the Group include Interest-bearing Loans, Trade and Other Payables (except tax-related liabilities), Advances from Related Parties, Due to Joint Venture Partners, Lease Liabilities and Other Non-current Liabilities account (except Advance rental).

2.5 Inventories

Costs of real estate inventories are assigned using specific identification of their individual costs.

The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known. Any impairment loss from a real estate project is charged to operations during the period in which the loss is determined.

Reposessed property arising from sales cancellation is recognized at cost. The difference between the carrying amount of the corresponding contract balances to be derecognized and the cost of the reposessed property is recognized in the consolidated statement of comprehensive income.

2.6 Property and Equipment

Property and equipment, except land, are carried at acquisition or construction cost less subsequent depreciation, amortization for property and equipment and any impairment losses. As no finite useful life for land can be determined, the related carrying amount are not depreciated.

Depreciation and amortization is computed on the straight-line basis over the estimated useful lives of the assets as follows:

Building	50 years
Building and office improvements	5-10 years
Transportation and other equipment	5 years
Office furniture, fixtures and equipment	3-5 years

2.7 Investment Properties

Investment properties consist of parcels of land and buildings, including those under construction, held or intended for lease or for capital appreciation or both. These properties are carried at cost, net of accumulated depreciation and any impairment in value, except for land which is not subject to depreciation.

Depreciation is computed on a straight-line basis over the estimated useful life of the assets as follows:

Building and improvements	25-50 years
Land development and improvements	20 years

2.8 Revenue and Expense Recognition

Revenue comprises revenue from sale of real properties, hotel operations and leasing activities. The Group's leasing activities are accounted for under PFRS 16, *Leases* (see Note 2.9).

The Group develops real properties such as developed land, house and lot, and condominium units. The Group often enters into contracts to sell real properties as they are being developed. The significant judgment used in determining the timing of satisfaction of the Group's performance obligation with respect to its contracts to sell real properties is disclosed in Note 3.1(b). Sales cancellations are accounted for as contract modification on the year of forfeiture. Cumulative revenue and costs recognized on cancelled contracts are reversed in the year of cancellation, and any gain or loss is charged to profit or loss.

- (a) *Real estate sales on pre-completed real estate properties* – Revenue from real estate sales is recognized over time proportionate to the progress of the development. The Group measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development. Revenue recognized from real estate sales is presented as part of Real Estate Sales account under Revenues and Income section in the consolidated statement of comprehensive income.
- (b) *Real estate sales on completed real estate properties* – Revenue from real estate sales is recognized at point in time when the control over the real estate property is transferred to the buyer. Revenue recognized from real estate sales is presented as part of Real Estate Sales account under Revenues and Income section in the consolidated statement of comprehensive income.
- (c) *Hotel operations* – Revenues from room accommodation and services are recognized over time during the occupancy of hotel guest and ends when the scheduled hotel room accommodation has lapsed (i.e., the related room services have been rendered). As applicable, invoices for hotel accommodations are due upon receipt by the customer. For food and beverage, revenue is recognized at a point in time upon delivery to and receipt of food and beverage by the customer.
- (d) *Service income* – Revenue is recognized over time (i.e., time-and-materials basis as the services are provided) until the performance of contractually agreed tasks has been substantially rendered. Service income comprises fees from maintenance of golf course and management fees. This amounts to P245.6 million, P248.2 million, and P191.0 million in 2025, 2024, and 2023, respectively, comprises fees from maintenance of golf course and management fees.
- (e) *Marketing fees* – Revenue is recognized over time in the same amount to which the entity has the right of invoice to the customer. Any amounts remaining unbilled at the end of the reporting period are presented in the consolidated statement of financial position as receivables as only the passage of time is required before payment of these amounts will be due.

For tax reporting purposes, a modified basis of computing the taxable income for the year based on collections from real estate sales is used by the Company, GEPI, TLC, GEGDI, GNDC, SWEC, and OPI.

Incremental costs of obtaining a contract to sell real property to customers are recognized as Deferred commission under Prepayments and Other Current Assets, and Other Non-current Assets, and is subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized.

Other costs and expenses are recognized in profit or loss upon utilization of services or receipt of goods or at the date they are incurred. Finance costs are reported on an accrual basis except capitalized borrowing costs.

Cost of real estate sales include the acquisition of cost of the land, development costs incurred to date and estimated costs to complete the project, determined based on estimates made by the project engineers.

In determining the transaction price, the Group adjusts the contract price for the effects of time value of money when the timing of payments agreed to with the customer provides either party with a significant benefit of financing the transfer of goods or services to the customer. In buyer financing arrangements where buyer payments are ahead of the development of the sold property, the Group recognizes interest expense which is presented as part of Finance cost under Finance Cost and Other Charges in the consolidated statement of comprehensive income. Conversely, in seller financing arrangements where the development of the sold property is ahead of buyer payment terms, the Group recognizes interest income which is presented as part of Finance income under Finance and Other Income in the consolidated statement of comprehensive income.

The Group applies the practical expedient under PFRS 15 where the promised amount of consideration is no longer adjusted for the effects of significant financing component when the Group expects, at contract inception, that the period between when the Group transfers the promised good or service to a customer and when the customer pays for such good or service will be one year or less. The significant judgment used in determining the existence of significant financing component in the contract is disclosed in Note 3.1(d).

Under its contracts with customers, the Group will receive an unconditional right to payment for the total consideration upon the completion of the development of the property sold. Any rights to consideration recognized by the Group as it develops the property are presented as Contract Assets in the consolidated statement of financial position. Contract assets are subsequently tested for impairment in the same manner as the Group assesses impairment of its financial assets [see Note 2.4(a)].

Any consideration received by the Group in excess of the amount for which the Group is entitled is presented as Contract Liabilities in the consolidated statement of financial position. A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

If the transaction does not yet qualify as contract revenue under PFRS 15, the deposit method is applied until all conditions for recording the sale are met. Pending the recognition of revenue on real estate sale, consideration received from buyers are presented under the Customers' Deposits account in the liabilities section of the consolidated statement of financial position

2.9 Leases

The Group accounts for its leases as follows:

(a) Group as Lessee

The Group amortizes the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in consolidated profit or loss on a straight-line basis over the lease term.

(b) Group as Lessor

The Group applies judgment in determining whether a lease contract is a finance or operating lease.

2.10 Impairment of Non-financial Assets

The Group's investments in associates, investment properties, property and equipment, right-of-use assets and other non-financial assets are subject to impairment testing. All other individual assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.11 Employee Benefits

The Group provides post-employment benefits to employees through a defined benefit plan, defined benefit contribution plans, and other employee benefits. The Group's post-employment defined benefit pension plans covers all regular full-time employees. The pension plans are tax-qualified and non-contributory.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

2.12 Share-based Employee Remuneration

The Group grants share options to key executive officers eligible under a stock option plan. The services received in exchange for the grant, and the corresponding share options, are valued by reference to the fair value of the equity instruments granted at grant date. This fair value excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions), if any. The share-based remuneration is recognized as an expense in profit or loss with a corresponding credit to retained earnings.

The expense is recognized during the vesting period based on the best available estimate of the number of share options expected to vest. The estimate is subsequently revised, if necessary, such that it equals the number that ultimately vests on vesting date. No subsequent adjustment is made to expense after vesting date, even if share options are ultimately not exercised.

Upon exercise of share option, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to capital stock with any excess being recorded as additional paid-in capital.

2.13 Basic and Diluted Earnings per Share

Basic earnings per share (EPS) is computed by dividing consolidated net profit by the weighted average number of common shares issued and outstanding during the period, adjusted retroactively for any stock dividend, stock split or reverse stock split declared during the current period.

Diluted EPS is computed by adjusting the weighted average number of common shares outstanding to assume conversion of potentially dilutive shares.

2.14 Borrowing Costs

Borrowing costs, which consists of interest and other costs that the Group incurs in connection with borrowing of funds, are recognized as expenses in the period in which they are incurred, except to the extent that they are capitalized. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (i.e., an asset that takes a substantial period of time to get ready for its intended use or sale) are capitalized as part of cost of such asset. The capitalization of borrowing costs commences when expenditures for the asset and borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale. Capitalization ceases when substantially all such activities are complete.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Prior to January 1, 2024, borrowing costs are capitalized as part of inventories that are actively being prepared for their intended use or sale. However, starting January 1, 2024, these inventories are no longer considered as qualifying assets, and any related borrowing costs will be expensed as incurred [(see Notes 2.1(b)(i) and 7)].

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS Accounting Standards require management to make judgments and estimates that affect amounts reported in the consolidated financial statements and related notes. Judgments and estimates 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. Actual results may ultimately vary from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the judgments below and in the succeeding pages, apart from those involving estimation, which have the most significant effect on the amounts recognized in the consolidated financial statements.

(a) Determination of Lease Term of Contracts with Renewal and Termination Options

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

The lease term is reassessed if an option is actually exercised or not exercised or the Group becomes obliged to exercise or not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

The Group determines whether any non-cancellable period or notice period in a lease would meet the definition of a contract and thus, would be included as part of the lease term. A contract would be considered to exist only when it creates rights and obligations that are enforceable.

In assessing the enforceability of a contract, the Group considers whether the lessor can refuse to agree to a request from the Group to extend the lease. In contrast, a lessor's right to terminate a lease is ignored when determining the lease term because, in that case, the lessee has an unconditional obligation to pay for the right to use the asset for the period of the lease, unless and until the lessor decides to terminate the lease.

(b) Evaluation of the Timing of Satisfaction of Performance Obligations

(i) Real Estate Sales

The Group exercises significant judgment in determining whether each performance obligation to develop properties promised in its contracts with customers is satisfied over time or at a point in time.

In making this judgment, the Group considers the following:

- any asset created or enhanced as the Group performs;
- the ability of the customer to control such asset as it is being created or enhanced;
- the timing of receipt and consumption of benefits by the customer; and,
- the Group's enforceable right for payment for performance completed to date.

The Group determines that its performance obligation for pre-completed real estate properties is satisfied over time since it does not have an alternative use of the specific property sold as it is precluded by its contract from redirecting the use of the property for a different purpose. Further, the Group has rights over payment for development completed to date as the Group can choose to complete the development and enforce its rights to full payment under its contracts even if the customer defaults on amortization payments. On the other hand, performance obligation for completed real estate properties is satisfied at a point in time when the control over the real estate property is transferred to the buyer.

(ii) Hotel Operations

The Group determines that its revenue from hotel operations shall be recognized over time. In making its judgment, the Group considers the timing of receipt and consumption of benefits provided by the Group to the customers. The Group provides the services without the need of reperformance of other companies. This demonstrates that the customers simultaneously receive and consume the benefits of the Group's rendering of hotel services as it performs.

In determining the appropriate method to use in recognizing the Group's revenues from food, beverage and other consumer goods, management assesses that revenue is recognized at a point in time when the control of the goods has passed to the customer, i.e. generally when the customer acknowledged delivery of goods. The service component of the restaurant operations is deemed as an insignificant cause on the timing of satisfaction of performance obligation since it is only passage of time until the customer receives and consumes all the benefits after delivery of the food and beverage items.

(iii) Service and Other Income

The Group determines that its revenue from services shall be recognized over time. In making its judgment, the Group considers the timing of receipt and consumption of benefits provided by the Group to the customers. The Group applies the practical expedient to recognize revenue at the amount to which it has a right to invoice, which corresponds directly to the value to the customer of the entity's performance completed to date i.e., generally when the customer has acknowledged the Group's right to invoice.

(iv) Forfeited Collections and Deposits

The Group determines that its revenue from forfeited collections and deposits shall be recognized at point in time in the year the contract was cancelled.

(c) Determining Existence of a Contract with Customer

The Group uses judgment in evaluating the probability of collection of contract price on real estate sales as a criterion for revenue recognition.

In a sale of real estate properties, the Group's primary document for a contract with a customer is a signed contract to sell which is executed when the real estate property sold is either at the pre-selling stage or completed and ready for use by customer. In rare cases wherein contract to sell are not executed by both parties, management has determined that the combination of other signed documentations with the customers such as reservation agreement, official receipts, computation sheets and invoices, would contain all the elements to qualify as contract with the customer (i.e., approval of the contract by the parties, which has commercial substance, identification of each party's rights regarding the goods or services and the related payment terms). Moreover, as part of the evaluation, the Group assesses the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer.

In evaluating whether collectability of an amount of consideration is probable, the Group considers the significance of the customer's downpayment in relation to the total contract price [see Note 3.1(e)].

Collectability is also assessed by considering factors such as past history with the customer and pricing of the property. Management regularly evaluates the historical cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

(d) Determination of the Existence of the Significant Financing Component in the Contract

The Group enters into real estate sales contracts offering various payment schemes to its customers. The timing of transaction price collection can significantly differ from the timing of the Group's fulfillment of its performance obligations. The Group exercises judgment in determining whether the contract terms provide a significant financing benefit to either the Group or its customers. This assessment is conducted at the inception of the contract, considering the contractual payment terms and the projected completion timeline of the related real estate development.

(e) *Determination of Collection Threshold for Revenue Recognition*

The Group uses judgment in evaluating the probability of collection of transaction price on real estate sales as a criterion for revenue recognition. The Group uses historical payment pattern of customers and number of sales cancellation in establishing a percentage of collection threshold over which the Group determines that collection of the transaction price is reasonably assured. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer when reaching the set collection threshold would demonstrate the buyer's commitment to pay the total contract price.

(f) *Determination of ECL on Trade and Other Receivables, Contract Assets and Advances to Related Parties*

The Group uses a provision matrix to calculate ECL for trade and other receivables and contract assets. The provision rates are based on days past due for group of various customer segments that have similar loss patterns (i.e., product type, customer type, and coverage by letters of guarantee and other forms of credit insurance).

The provision matrix is based on the Group's historical observed default rates. The Group's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions).

With respect to Advances to Related Parties and other related party receivables, the Group uses the liquidity approach as the receivables are collectible on demand.

Details about the ECL on the Group's trade and other receivables, contract assets and advances to related parties are disclosed in Note 29.2(b) and (c).

(g) *Distinction among Investment Properties and Owner-occupied Properties*

The Group determines whether an asset qualifies as an item of investment properties or owner-occupied property. In making its judgment, the Group considers whether the property generates cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the operations of the Group or for administrative purposes.

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for administrative purposes. If these portions can be sold separately (or leased out separately under finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as investment properties 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 properties. The Group considers each property separately in making its judgment.

(b) Distinction Between Real Estate Inventories and Investment Properties

Residential and condominium units comprise properties that are held for sale in the ordinary course of business. Meanwhile, investment properties comprise of land and buildings which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. The Group considers management's intention over these assets in making its judgment.

(i) Evaluation of Change in Use for Transfers to, or from, Investment Properties

The transfers to, or from, investment properties are made when and only when there is a change in use for such property. A mere change in management's intention does not provide sufficient evidence of such a change. Therefore, management exercises judgment in assessing whether the definition of investment property is met by evaluating all relevant facts and circumstances to determine if there is substantive evidence supporting a change in use.

(j) Determination of Significant Influence over Entities in which the Group Holds Less than 20% Ownership

The Group determines whether significant influence exists over an investee company over which the Group holds less than 20% of the investee's capital stock. The Group considers the ability to influence the operating and financial policies of the investee, representation on the board of directors of the investee, provision of essential technical information for the development of the various projects of these investees, and routine participation in management decisions in making its judgment.

Based on management's judgment, the Group considers that it has significant influence over NPI since it has BOD representation which allows them to participate in the financial and operating policy decisions but has no control or joint control of those policies (see Note 1.2).

(k) Consolidation of Entities in which the Company Holds 50% Ownership or Less

Management considers that the Group has de facto control over OPI even though it does not hold more than 50% of the ordinary shares and voting rights of this subsidiary due to the factors discussed below.

The Group holds 50% equity interest over OPI and has: (1) the ability to direct the relevant activities of the subsidiary; (2) the rights to variable returns from its involvement with the subsidiary; and, (3) the ability to use its power to affect its returns from its involvement with the subsidiary. Based on management's judgment, the Company has control over OPI; hence, the said subsidiary was consolidated in the financial statements of the Group (see Note 1.2).

(l) Distinction Between Operating and Finance Leases

The Group has entered into various lease agreements. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities. Based on management assessment, the Group's lease agreements, as lessor, are classified either operating or finance leases.

(m) Recognition of Provisions and Contingencies

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets; hence, are not recognized in the financial statements. On the other hand, any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

Judgment is exercised by management to distinguish between provisions and contingencies. Disclosures on relevant provisions and contingencies are presented in Note 28.

3.2 Key Sources of Estimation Uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are discussed below and in the succeeding pages.

(a) Determination of Appropriate Discount Rate in Measuring Lease Liabilities

The Group measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using the effective interest rate on the most recent loan. Since the date of the availment is near the initial date of application, management is satisfied that the selected rate reflects the risks specific to the Group.

(b) Business Combinations

On initial recognition, the assets and liabilities of the acquired business and the consideration paid for them are included in the consolidated financial statements at their fair values. In measuring fair value, management uses estimates of future cash flows and discount rates. Any subsequent change in these estimates would affect the amount of goodwill if the change qualifies as a measurement period adjustment. Any other change would be recognized in profit or loss in the subsequent period.

(c) Revenue Recognition for Performance Obligations Satisfied Over Time

In determining the amount of revenue to be recognized for performance obligations satisfied over time, the Group measures progress on the basis of actual costs incurred relative to the total expected costs to complete such performance obligation. Specifically, the Group estimates the total development costs with reference to the project development plan and any agreement with customers. Management regularly monitors its estimates and apply changes as necessary. A significant change in estimated costs would result in a significant change in the amount of revenue recognized in the year of change.

(d) Determination of Appropriate Discount Rate in Measuring Significant Financing Component

In the sale of real estate properties, the transaction price is recognized at the present value of the installment payments discounted to the date the entity expects to satisfy its performance obligation.

When adjusting the consideration for significant financing component, an entity shall use the discount rate that would be reflected in a separate financing transaction at contract inception. Management considers the discount rate which would reflect the credit characteristics of the party receiving financing in the contract as well as any collateral or security provided by the customer or entity.

Specifically, for contracts classified as ‘seller financing,’ the Group bases its lending rate on the rate extended to buyers who utilize its in-house financing. This lending rate is adjusted to reflect the specific circumstances of each financing transaction. For contracts classified as ‘buyer financing,’ the Group estimates the discount rate using a borrowing rate that would be consistent with a separate financing transaction where the Group is considered the borrower.

(e) Estimation of Allowance for ECL

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL is further detailed in Note 29.2.

(f) Determination of Net Realizable Value of Inventories

In determining the net realizable value (NRV) of inventories, management takes into account the most reliable evidence available at the times the estimates are made. The future realization of the carrying amounts of these assets is affected by price changes in the different market segments as well as the trends in the real estate industry. These are considered key sources of estimation and uncertainty and may cause significant adjustments to the Group’s inventories within the next reporting period. In evaluating net realizable value of inventories, recent market conditions and current market prices have been considered. The carrying value of inventories is disclosed in Note 7.

(g) Fair Value of Stock Options

The Group estimates the fair value of the executive stock option by applying an option valuation model, taking into account the terms and conditions on which the executive stock option was granted. The estimates and assumptions used are presented in Note 26.3, which include, among other things, the option’s time of expiration, applicable risk-free interest rate, expected dividend yield, volatility of the Company’s share price and fair value of the Company’s common shares. Changes in these factors can affect the fair value of stock options at grant date.

(h) Estimation of Useful Lives of Investment Properties, Property and Equipment and Right-of-use Assets

The Group estimates the useful lives of investment properties, property and equipment and right-of-use assets based on the period over which the assets are expected to be available for use. The estimated useful lives of investment properties, property and equipment, and right-of-use assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

The carrying amounts of investment properties, property and equipment, and right-of-use assets are analyzed in Notes 11, 12 and 13, respectively. Based on management's assessment as at December 31, 2025 and 2024, there are no changes in the estimated useful lives of those assets as of the end of the reporting periods. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(i) *Determination of Realizable Amount of Deferred Tax Assets*

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at December 31, 2025 and 2024 will be fully utilized within the prescribed period of availment. The carrying value of deferred tax assets as of those dates is disclosed in Note 24.

(j) *Impairment of Non-financial Assets*

Impairment review is required to be performed when certain impairment indicators are present. Though management believes that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

There were no impairment losses required to be recognized on investment properties, property and equipment, and right-of-use assets and other non-financial assets for the years ended December 31, 2025, 2024 and 2023 (see Notes 11, 12 and 13).

(k) *Valuation of Post-employment Defined Benefit Obligation*

The determination of the Group's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates and salary rate increase. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the retirement benefit obligation in the next reporting period.

The amounts of retirement benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment benefit, as well as the significant assumptions used in estimating such obligation are presented in Note 23.2.

(l) *Fair Value Measurement of Investment Properties*

Investment properties is measured using the cost model. The Group determines the fair values of building and building improvements earning rental income through discounted cash flows valuation technique since the information on current or recent prices of assumptions underlying the discounted cash flow approach of investment properties is not available. The Group uses assumptions that are mainly based on market conditions existing at the end of each reporting period, such as: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and appropriate discount rates.

These valuations are regularly compared to actual market yield data and actual transactions by the Group and those reported by the market. The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

For land and land development and improvements, the Group determines the fair value of land through appraisals by independent valuation specialists using market-based valuation approach where prices of comparable properties are adequate for specific market factors such as location and condition of the property.

A significant change in these elements may affect prices and the value of the assets. The fair value of investment properties is disclosed in Notes 11 and 31.3.

4. SEGMENT INFORMATION

4.1 Business Segments

The Group's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The Group is engaged in the development of residential and office units including urban centers integrating office, residential and commercial components. The Real Estate segment pertains to the development and sale of residential and office projects. The Rental segment includes leasing of office and commercial spaces. The Hotel Operations segment includes hotel services, sale of food and beverages, and parties and events services. The Service Income segment relates to maintenance of golf courses. The Corporate and Others segment includes marketing services, general and corporate income and expense items. The Group generally accounts for intersegment sales and transfers as if the sales or transfers were to third parties at current market prices.

4.2 Segment Assets and Segment Liabilities

Segment assets are allocated based on their physical location and use or direct association with a specific segment and they include all operating assets used by a segment and consist principally of operating cash, receivables, real estate inventories, property and equipment, and investment properties, net of allowances and provisions. Similar to segment assets, segment liabilities are also allocated based on their use or direct association with a specific segment. Segment liabilities include all operating liabilities and consist principally of accounts, wages and taxes currently payable and accrued liabilities. Segment assets and segment liabilities do not include deferred taxes.

4.3 Intersegment Transactions

Segment revenues, expenses and performance include sales and purchases between business segments. Such sales and purchases are eliminated in consolidation.

4.4 Analysis of Segment Information

The tables presented in the succeeding pages present revenue and profit information regarding industry segments for the years ended December 31, 2025, 2024 and 2023 and certain asset and liability information regarding segments at December 31, 2025, 2024 and 2023.

(Amounts in PHP)	2025					
	Real Estate	Rental	Hotel Operations	Service Income	Corporate and Others	Total
TOTAL REVENUES						
Sales to external customers	6,451,069,850	628,568,978	885,518,182	245,565,281	423,884,844	8,634,607,135
Intersegment sales	-	144,495,936	-	187,508,453	166,358,475	498,362,864
Total revenues	6,451,069,850	773,064,914	885,518,182	433,073,734	590,243,319	9,132,969,999
RESULTS						
Segment results	2,222,907,214	293,176,157	98,588,662	(6,368,740)	347,129,673	2,955,432,966
Unallocated expenses	-	-	-	-	-	-
Income from operations						2,955,432,966
Finance income	184,726,975	-	-	-	118,254,683	302,981,658
Finance cost	-	-	-	-	(357,323,639)	(357,323,639)
Equity in net losses of associates	-	-	-	-	(351,904)	(351,904)
Profit before tax						2,900,739,081
Tax expense						(644,449,584)
Net profit before non-controlling interest						2,256,289,497
Non-controlling interest share in net profit						331,758,796
Net profit after non-controlling interest						1,924,530,701
ASSETS AND LIABILITIES						
Segment assets	49,096,147,350	8,129,951,802	1,091,741,094	498,565,246	4,035,620,672	62,852,026,165
Investments in and advances to associates and other parties	-	-	-	-	1,688,346,535	1,688,346,535
Deferred tax assets	8,636,967	-	116,371,147	904,601	-	125,912,715
Total assets	49,104,784,317	8,129,951,802	1,208,112,241	499,469,847	5,723,967,207	64,666,285,415
Segment liabilities	15,643,153,001	684,228,712	542,463,211	231,413,447	1,217,033,549	18,318,291,920
Deferred tax liabilities	3,597,632,628	-	-	-	-	3,597,632,628
Total liabilities	19,240,785,629	684,228,712	542,463,211	231,413,447	1,217,033,549	21,915,924,548
OTHER SEGMENT INFORMATION						
Project and capital expenditures	3,262,892,345	449,725,218	36,974,039	11,677,798	104,792,239	3,866,061,639
Depreciation and amortization	53,204,453	242,173,227	36,204,427	5,719,176	25,642,218	362,943,501
2024 [As restated – see Note 2.1(c)]						
(Amounts in PHP)	Real Estate	Rental	Hotel Operations	Service Income	Corporate and Others	Total
TOTAL REVENUES						
Sales to external customers	6,284,042,299	584,179,297	956,318,317	248,232,198	160,498,774	8,233,270,885
Intersegment sales	-	134,526,804	-	159,147,889	131,865,228	425,539,921
Total revenues	6,284,042,299	718,706,101	956,318,317	407,380,087	292,364,002	8,658,810,806
RESULTS						
Segment results	1,841,261,956	237,515,160	123,985,349	24,632,934	146,500,696	2,373,896,095
Unallocated expenses	-	-	-	-	-	-
Income from operations						2,373,896,095
Finance income	475,910,861	-	-	-	202,593,298	678,504,159
Finance cost	-	-	-	-	(345,576,030)	(345,576,030)
Equity in net losses of associates	-	-	-	-	(674,763)	(674,763)
Profit before tax						2,706,149,461
Tax expense						(549,542,890)
Net profit before non-controlling interest						2,156,606,571
Non-controlling interest share in net profit						376,088,976
Net profit after non-controlling interest						1,780,517,595

(Amounts in PHP)	2024 [As restated – see Note 2.1(c)]					
	Real Estate	Rental	Hotel Operations	Service Income	Corporate and Others	Total
ASSETS AND LIABILITIES						
Segment assets	49,569,785,061	7,247,997,819	1,382,733,899	450,331,180	2,718,929,192	61,369,777,151
Investments in and advances to associates and other parties	-	-	-	-	1,373,953,673	1,373,953,673
Deferred tax assets	475,434	-	104,994,663	904,601	-	106,374,698
Total assets	<u>49,570,260,495</u>	<u>7,247,997,819</u>	<u>1,487,728,562</u>	<u>451,235,781</u>	<u>4,092,882,865</u>	<u>62,850,105,522</u>
Segment liabilities	16,482,180,950	506,091,985	1,328,658,162	301,049,541	83,547,230	18,701,527,868
Deferred tax liabilities	3,442,881,985	-	-	-	-	3,442,881,985
Total liabilities	<u>19,925,062,935</u>	<u>506,091,985</u>	<u>1,328,658,162</u>	<u>301,049,541</u>	<u>83,547,230</u>	<u>22,144,409,853</u>
OTHER SEGMENT INFORMATION						
Project and capital expenditures	3,083,010,045	649,719,792	10,675,135	3,129,797	98,406,319	3,844,941,088
Depreciation and amortization	36,846,113	273,916,907	16,379,618	5,917,628	32,290,427	365,350,693
(Amounts in PHP)	2023 [As restated – see Note 2.1(c)]					
	Real Estate	Rental	Hotel Operations	Service Income	Corporate and Others	Total
TOTAL REVENUES						
Sales to external customers	6,980,858,625	551,559,805	567,165,206	191,002,197	262,983,842	8,553,569,675
Intersegment sales	-	88,920,815	-	128,436,082	95,278,350	312,635,247
Total revenues	<u>6,980,858,625</u>	<u>640,480,620</u>	<u>567,165,206</u>	<u>319,438,279</u>	<u>358,262,192</u>	<u>8,866,204,922</u>
RESULTS						
Segment results	2,277,381,417	279,694,098	34,398,414	25,523,604	150,100,394	2,767,097,927
Unallocated expenses	-	-	-	-	-	-
Income from operations	-	-	-	-	-	2,767,097,927
Finance income	165,624,824	-	-	-	90,614,529	256,239,353
Finance cost	-	-	-	-	(97,488,666)	(97,488,666)
Equity in net earnings of associates	-	-	-	-	885,098	885,098
Profit before tax	-	-	-	-	-	2,926,733,712
Tax expense	-	-	-	-	-	(816,757,817)
Net profit before non-controlling interest	-	-	-	-	-	2,109,975,895
Non-controlling interest share in net profit	-	-	-	-	-	269,790,697
Net profit after non-controlling interest	-	-	-	-	-	<u>1,840,185,198</u>
ASSETS AND LIABILITIES						
Segment assets	49,844,828,238	6,311,850,455	1,212,463,241	380,361,097	2,581,549,248	60,331,052,279
Investments in and advances to associates and other parties	-	-	-	-	1,386,685,518	1,386,685,518
Deferred tax assets	-	-	69,390,142	162,660	-	69,552,802
Total assets	<u>49,844,828,238</u>	<u>6,311,850,455</u>	<u>1,281,853,383</u>	<u>380,523,757</u>	<u>3,968,234,766</u>	<u>61,787,290,599</u>
Segment liabilities	16,420,755,978	524,656,277	1,045,192,215	254,601,763	331,420,253	18,576,626,486
Deferred tax liabilities	3,282,401,885	-	-	-	-	3,282,401,885
Total liabilities	<u>19,703,157,863</u>	<u>524,656,277</u>	<u>1,045,192,215</u>	<u>254,601,763</u>	<u>331,420,253</u>	<u>21,859,028,371</u>
OTHER SEGMENT INFORMATION						
Project and capital expenditures	4,127,443,883	53,193,742	7,796,894	10,228,540	40,448,399	4,239,111,458
Depreciation and amortization	42,107,993	250,417,287	7,715,118	3,974,752	26,394,875	330,610,025

4.5 Analysis of Segment Information

Presented below is a reconciliation of the Group's net revenues to the revenues presented in its consolidated statements of comprehensive income.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Net Revenues			
Total segment revenues	9,132,969,999	8,658,810,806	8,866,204,922
Elimination of intersegment revenues	(498,362,864)	(425,539,921)	(312,635,247)
Interest income from significant financing component	(457,530,793)	(193,322,113)	-
Day-one loss on installment contract receivables	<u>-</u>	<u>(25,255,431)</u>	<u>(471,144,412)</u>
Revenues as reported in profit or loss revenues*	<u>8,177,076,342</u>	<u>8,014,693,341</u>	<u>8,082,425,263</u>

**excluding Finance income amounting to P760.5 million, P871.8 million and P256.2 million in 2025, 2024 and 2023, respectively (see Note 20.1)*

There are no revenues from a single customer amounting to 10% or more of the Group's revenue.

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents include the following components as at the end of the reporting periods:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Cash on hand and in banks	1,995,074,231	2,187,689,636
Short-term placements	<u>273,343,286</u>	<u>106,552,128</u>
	<u>2,268,417,517</u>	<u>2,294,241,764</u>

Cash in banks generally earn interest at rates based on daily bank deposit rates. Short-term placements are made between seven to 90 days at prevailing market interest rates and earn effective interest ranging from 3.70% to 5.00% in 2025 and 0.20% to 5.85% in 2024.

Interest income earned from cash in banks and short-term placements is included as part of Finance income under the Finance and Other Income account in the consolidated statements of comprehensive income (see Note 20.1).

6. TRADE AND OTHER RECEIVABLES

This account is composed of the following as at December 31:

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>
Current:			
Installment contracts and other trade receivables		10,731,075,945	10,206,545,132
Unearned discount and interest		(42,895,608)	(60,577,303)
VAT on contracts with customers		845,481,269	946,279,179
Rent receivables		581,729,251	449,212,826
Advances to officers and employees	25.7	161,652,922	225,637,939
Advances to raw landowners		72,556,381	58,679,810
Finance lease receivable	28.1	1,874,098	2,873,035
Others		394,919,628	377,173,916
		12,746,393,886	12,205,824,534
Allowance for impairment		(644,731,677)	(638,683,111)
		12,101,662,209	11,567,141,423
Non-current:			
Installment contracts receivable		3,415,634,350	3,294,101,605
Unearned discount and interest		(52,898,948)	(254,058,929)
VAT on contracts with customers		404,734,255	404,734,255
Finance lease receivable	28.1	310,367,385	312,241,483
		4,077,837,042	3,757,018,414

Instalment contract receivables represent receivables from sale of real estate and resort shares for sale and are normally collectible monthly within one to five years. The titles to the real estate and resort shares sold remain with the Group until such receivables are fully collected. The instalment period of sales contracts averages from three to five years.

Instalment contract receivables are noninterest-bearing and are measured at amortized cost using the effective interest method based on the interest rate of comparable financial instruments in the market. Interest income from amortization amounted to P230.7 million, P652.7 million and P165.6 million in 2025, 2024 and 2023, respectively, and is presented as part of Finance income under Finance and Other Income account in the consolidated statements of comprehensive income (see Note 20.1).

Meanwhile, the related day-one loss on the discounting of the interest-free installment contracts receivables amounting to P25.3 million and P472.0 million in 2024 and 2023, respectively, is presented as a deduction against the Real Estate Sales account in the consolidated statements of comprehensive income. There was no similar transaction in 2025.

VAT on contracts with customers represents the VAT component of the contract price of real estate sales to the extent recognized either as instalment contract receivables or contract assets.

Advances to officers and employees are noninterest-bearing, unsecured and settled through salary deduction or liquidation.

Advances to raw landowners are cash advances pertaining to amounts advanced by the Group to certain raw landowners as down payment for lots to be acquired for future real estate development for sale.

Finance lease receivables pertain to the sublease of certain development rights to a third party. Interest income on the finance lease amounted to P24.6 million, P24.8 million and P34.4 million in 2025, 2024 and 2023, respectively, and are presented as part of Finance Income under Finance and Other Income account in the consolidated statements of comprehensive income (see Note 20.1). The Group has effected the offsetting of payments made directly by the Group's sublessee to the head lessor in relation to its finance lease transaction (see Notes 13.2 and 33.2).

Other receivables include interest receivable from third parties and receivable from buyers arising from payments of real property taxes initially assumed by the sellers.

<i>(Amounts in PHP)</i>	<u>Note</u>	<u>2025</u>	<u>2024</u>
Balance at beginning of year		638,683,111	540,342,300
Impairment loss	21	6,048,566	98,340,811
Balance at end of year		644,731,677	638,683,111

All of the Group's trade and other receivables have been assessed for impairment. In 2025 and 2024, certain rent receivables were assessed to be impaired amounting to P6.0 million and P98.3 million, respectively, and is presented as part of Impairment Loss under Other Operating Expenses in the consolidated statements of comprehensive income (see Note 21). In 2023, the managements assessed that no additional impairment losses are required to be recognized.

As of December 31, 2025 and 2024, certain past due installment contract receivables are not provided with allowance for impairment to the extent of the expected market value of the property sold to the customer since the titles to the real estate properties sold remain with the Group until such receivables are fully collected. This assessment is undertaken each financial year using the simplified approach in measuring ECL as fully disclosed in Note 29.2(b).

7. INVENTORIES

Except for the portion of Golf and resorts shares for sale stated at NRV, inventories at the end of 2025 and 2024 were stated at cost. The details of inventories are shown below.

<i>(Amounts in PHP)</i>	2025	2024
At cost:		
Real estate for sale	12,047,328,728	11,500,692,675
Property development cost	3,523,104,629	2,828,511,998
Raw land inventory	2,571,465,577	2,551,674,081
	<u>18,141,898,934</u>	<u>16,880,878,754</u>
Golf and resort shares for sale at NRV:		
At cost	3,223,759,511	3,019,394,917
Allowance for impairment	(88,411,502)	(88,411,502)
	<u>3,135,348,009</u>	<u>2,930,983,415</u>
	<u>21,277,246,943</u>	<u>19,811,862,169</u>

Real estate for sale mainly pertains to the accumulated costs incurred in developing the Group's horizontal and condominium projects and certain integrated-tourism projects.

Property development costs include on-going costs incurred by the Group for its own projects. In addition, this account also includes the costs incurred by the Group for the joint development of various projects that are treated as joint operations; there were no separate entities created by these joint venture agreements. The joint operations are undertaken under project agreements with different partner operators. The costs relating to these joint projects represent the amount of investments placed by the Group as original investor/developer or the amount assigned/transferred to the Group by associates or by related parties who were the original investors/developers in the project agreement.

Raw land inventory pertains to acquisition costs of raw land intended for future development of real estate for sale, including other costs and expenses incurred to effect the transfer of title of the property to the Group.

Golf and resort shares for sale pertain to proprietary or membership shares (landowner shares and founders shares) that are of various types and costs. The cost of the landowner resort shares is based on the acquisition and development costs of the land and the project. The cost of the founders shares is based on the par value of the resort shares which is P100 per share.

In 2025 and 2024, the Group made reclassifications between Investment Properties and Inventories to appropriately reflect the use of the underlying assets (see Note 11). There were no similar transactions in 2023.

Prior to January 1, 2024, borrowing costs capitalized in 2023 as part of inventories amounted to P1,112.7 million, which represents the costs incurred on the general and specific borrowings obtained by the Group to fund its construction projects. No borrowing costs were capitalized in 2025 and 2024 [see Notes 2.1(b)(i) and 15].

As at December 31, 2025 and 2024, the Group has neither contingent liabilities with regard to the joint operations nor the remote probability of loss that may arise from contingent liabilities.

No impairment losses related to inventories were recognized in 2025, 2024 and 2023. None of the Group's inventories are used as collateral for its interest-bearing loans.

8. PREPAYMENTS AND OTHER CURRENT ASSETS

The composition of this account is shown below.

<i>(Amounts in PHP)</i>	Note	2025	2024 [As restated – see Note 2.1(c)]
Advances to contractors and suppliers		2,186,033,477	2,020,966,838
Input VAT		692,333,879	761,398,340
Creditable withholding tax		515,602,577	598,591,942
Prepayments		410,364,357	349,087,496
Deferred commission	19.3	324,361,297	178,596,497
Deferred input VAT		47,604,577	64,059,680
Others		143,957,159	143,995,758
		<u>4,320,257,323</u>	<u>4,116,696,551</u>
Allowance for impairment		<u>(18,716,925)</u>	<u>(18,716,925)</u>
		<u>4,301,540,398</u>	<u>4,097,979,626</u>

Advances to contractors and suppliers pertain to amounts advanced to the Group's contractors and suppliers as down payment for services to be rendered and goods to be delivered to the Group. These advances are classified as current assets as they relate to the development of real estate projects for sale, consistent with the nature and intended use of the underlying projects to which they pertain.

9. ADVANCES TO REAL ESTATE PROPERTY OWNERS

This account represents advances to real estate property owners and various charges in connection with several project agreements entered into by the Group. The terms of the agreements provide that the Group will undertake the improvement, subdivision and development of the properties. The agreements further stipulate that the Group and the property owners share either in the form of the developed real estate properties or upon collection of sales proceeds using certain pre-agreed sharing ratios. Collections of the advances from the said property owners are generally received upon sale of property owners' shares in the projects.

The outstanding amounts, net of unearned discount and interest, at the end of the reporting period are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Advances to real estate property owners	1,155,021,923	1,392,878,251
Unearned discount and interest	(19,549,473)	(23,453,147)
	<u>1,135,472,450</u>	<u>1,369,425,104</u>

The advances to real estate property owners are classified in the consolidated statements of financial position as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current	81,052,387	45,424,169
Non-current	1,054,420,063	1,324,000,935
	<u>1,135,472,450</u>	<u>1,369,425,104</u>

The advances that are contractually due within 12 months after the reporting date are classified as current assets, while remaining balances are classified as non-current assets.

The net commitment for construction expenditures of the Group amounted to:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Total commitment for construction expenditures	8,243,639,758	7,616,013,863
Total expenditures incurred	(6,757,230,204)	(6,489,610,354)
Net commitment	<u>1,486,409,554</u>	<u>1,126,403,509</u>

The list of the Group's projects which are joint operations are as follows:

- Alabang West
- Caliraya Spring
- Eastland Heights
(formerly: Forest Hills)
- Kingsborough
- Monte Cielo de Peñafrancia
- Mountain Meadows
- Newport Hills
- Pahara at Southwoods
- Sta. Barbara Heights Phase 2 & 3
- Sta Barbara Heights Shophouse District
- The Hamptons Caliraya
- The Fifth

As at December 31, 2025 and 2024, the Group has neither contingent liabilities with regard to these joint operations nor has assessed that the probability of loss that may arise from contingent liabilities is remote.

The amortization of unearned discount and interest amounted to P3.9 million, P3.8 million and P3.9 million in 2025, 2024 and 2023, respectively, and is presented as part of Finance income under the Finance and Other Income account under the Revenues and Income section in the consolidated statements of comprehensive income (see Note 20.1).

The real estate property owners related to the Alabang West, Pahara at Southwoods, Eastland Heights and The Hamptons Caliraya projects were charged of marketing fees in 2025, 2024 and 2023 amounting to P276.5 million, P40.9 million and P72.6 million, respectively, which are presented as Marketing fees under the Revenues and Income section in the consolidated statements of comprehensive income.

All of the Group's advances have been analyzed for ECL. Based on management's evaluation, the expected credit loss is not significant [see Note 29.2(c)].

10. INVESTMENTS IN ASSOCIATES AND NON-CONTROLLING INTERESTS

10.1 Investments in Associates

The components of the carrying values of investments in associates accounted for under the equity method at the end of the reporting periods are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Acquisition costs - NPI	<u>734,396,528</u>	<u>734,396,528</u>
Accumulated equity share in net losses –		
Balance at beginning of year	(2,988,958)	(2,314,195)
Equity share in net losses	<u>(351,904)</u>	<u>(674,763)</u>
Balance at end of year	<u>(3,340,862)</u>	<u>(2,988,958)</u>
	<u>731,055,666</u>	<u>731,407,570</u>

The Group's equity share in net losses from its investment in associates is presented as part of Miscellaneous under Finance Costs and Other Charges in the consolidated statements of comprehensive income (see Note 20).

Investments in FENI, FESI, FERSAI and FERC were written off in previous years.

Significant influence that exists in these associates is brought about by the Group's provision of essential technical information for the development of the various projects of these investee companies.

The place of incorporation, which is also the principal place of business, of the Group's associates is presented below.

- (a) NPI, FESI – Renaissance Towers, Meralco Avenue, Pasig City
- (b) FERC, FENI, FERSAI – Paragon Plaza, Reliance St., Mandaluyong City

The aggregated amounts of assets, liabilities, revenues and net loss of NPI are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Current assets	2,784,202	2,823,943
Non-current assets	5,594,585,843	5,594,585,843
Current liabilities	1,250,639,730	1,248,174,811
Revenues	91	104
Net loss	2,336,824	5,194,765

NPI does not have any non-current liabilities as of December 31, 2025 and 2024.

The reconciliation of the above summarized information to the carrying amount of the interest in NPI is as follows:

<i>(Amounts in PHP)</i>	2025	2024
Net assets at end of year	4,346,730,315	4,349,243,915
Equity ownership interest	14%	14%
	608,542,244	608,894,148
Nominal goodwill	122,513,422	122,513,422
Balance at end of year	731,055,666	731,407,570

The fair values of the associates' shares of stock are not available as of the end of the reporting periods.

As of December 31, 2025 and 2024, the investment in an associate is not impaired due to the active efforts of the management to raise funds in order to push through with the associate's projects.

10.2 Subsidiaries with Material Non-controlling Interests

The Group includes subsidiaries with material NCI, with details shown below.

<i>(Amounts in PHP)</i>		Proportion of Ownership Interest and Voting Rights Held by NCI		Profit Allocated to NCI		Accumulated NCI	
Name of Subsidiary	Material NCI	2025	2024	2025	2024	2025	2024
TLC	Various shareholders	49%	49%	177,375,985	190,311,317	4,291,125,507	4,089,290,249
SMI	Megaworld	49%	49%	37,382,925	8,162,262	1,114,806,193	1,119,215,692
OPI	Various shareholders	50%	50%	40,845,530	75,998,455	444,955,314	404,109,783
SWEC	Various shareholders	40%	40%	59,850,427	84,094,193	412,859,023	405,905,903

In 2025, SMI and SWEC declared and paid cash dividends to the NCI amounting to P49.3 million and P52.2 million, respectively. In 2024, OPI and SWEC declared and paid cash dividends to the NCI amounting to P60.0 million, and P68.3 million, respectively. In 2023, SMI, OPI and SWEC declared and paid cash dividends to the NCI amounting to P157.9 million, P50.0 million, and P40.1 million, respectively, and is presented in the consolidated statements of changes in equity.

The place of incorporation of TLC, SMI, SWEC and OPI is summarized below.

- (a) TLC and SMI – Renaissance Towers, Meralco Avenue, Pasig City
- (b) SWEC – Southwoods Ecocentrum, Brgy. Soro-Soro, Biñan, Laguna
- (c) OPI – 5th Floor, F&M Lopez II Building, 109 C. Palanca St., Legaspi Village, Makati City

10.3 Interest in Unconsolidated Structured Entities

The Group has no interests in unconsolidated structured entities.

The summarized financial information of TLC, SMI, SWEC and OPI, before intragroup eliminations, are shown below.

(Amounts in PHP)

	TLC		SMI		SWEC		OPI	
	2025	2024	2025	2024	2025	2024	2025	2024
Current assets	7,138,535,356	7,098,951,929	625,519,419	509,008,792	1,177,771,287	1,133,125,437	1,600,074,591	1,088,982,315
Non-current assets	6,133,751,325	5,699,242,304	2,423,799,173	2,539,347,206	316,919,297	362,032,732	71,696,753	584,419,333
Total assets	13,272,286,681	12,798,194,233	3,049,318,592	3,048,355,998	1,494,690,584	1,495,158,169	1,671,771,344	1,673,401,648
Current liabilities	2,018,315,982	1,611,895,319	568,317,060	598,829,127	292,298,598	225,695,527	532,951,929	674,285,123
Non-current liabilities	2,496,571,705	2,840,808,609	221,106,553	165,413,213	174,127,978	254,697,885	237,951,709	190,896,957
Total liabilities	4,514,887,687	4,452,703,928	789,423,613	764,242,340	466,426,576	480,393,412	770,903,638	865,182,080
Equity attributable to shareholders of the Company	4,466,273,487	4,256,200,056	1,145,088,786	1,164,897,966	615,404,985	608,858,854	444,955,315	404,109,785
Non-controlling interests	4,291,125,507	4,089,290,249	1,114,806,193	1,119,215,692	412,859,023	405,905,903	444,955,314	404,109,783
Revenue	1,678,543,621	1,629,441,797	391,901,701	385,718,952	416,371,465	416,371,465	436,650,101	346,477,942
Profit for the year attributable to shareholders of the Company	184,615,821	198,079,126	38,398,395	8,495,416	89,212,659	126,141,290	40,845,530	75,998,455
Profit for the year attributable to NCI	177,375,985	190,311,317	37,382,925	8,162,262	59,850,427	84,094,193	40,845,530	75,998,455
Profit for the year	361,991,806	388,390,443	75,781,320	16,657,678	149,063,086	210,235,483	81,691,060	151,996,910
Net cash from operating activities	182,912,836	53,804,912	78,985,295	95,961,207	136,987,948	137,078,223	241,796,108	214,989,408
Net cash from (used in) investing activities	(44,960,586)	(54,083,598)	(9,997,417)	(5,679,618)	81,947	(108,596)	60,144	28,747
Net cash from (used in) financing activities	(145,458,055)	(179,560,695)	(100,946,330)	(70,660,893)	(130,000,000)	(170,000,000)	(225,263,347)	(205,490,474)
Effect of foreign currency exchange rates	207,488	1,680,354	-	-	-	-	-	-
Net cash inflow (outflow)	(7,298,317)	(178,159,027)	(31,958,452)	19,620,696	7,069,895	(33,030,373)	16,592,905	9,527,681

TLC, SMI, SWEC and OPI have no other comprehensive income in the years 2025, 2024 and 2023; hence, the respective total comprehensive income of these subsidiaries are the same with the profit recognized in both years.

11. INVESTMENT PROPERTIES

The Group's investment properties comprise of buildings and several parcels of land which are owned to earn rental income or for capital appreciation or for both. The gross carrying amounts and accumulated depreciation and amortization of investment properties at the beginning and end of the reporting periods are show as follows:

<i>(Amounts in PHP)</i>	Building and Improvements	Land and Land Development and Improvements	Construction in Progress	Total
December 31, 2025				
Cost	6,800,453,115	5,352,776,667	1,851,302,859	14,004,532,641
Accumulated depreciation and amortization	(1,892,794,968)	(139,705,539)	-	(2,032,500,507)
Net carrying amount	4,907,658,147	5,213,071,128	1,851,302,859	11,972,032,134
December 31, 2024				
[As Restated – see Note 2.1 (c)]				
Cost	6,767,952,860	5,501,657,801	1,361,212,738	13,630,823,399
Accumulated depreciation and amortization	(1,701,021,258)	(139,705,539)	-	(1,840,726,797)
Net carrying amount	5,066,931,602	5,361,952,262	1,361,212,738	11,790,096,602
January 1, 2024				
[As Restated – see Note 2.1 (c)]				
Cost	6,583,985,438	5,468,006,225	39,192,350	12,091,184,013
Accumulated depreciation and amortization	(1,485,756,002)	(139,705,539)	-	(1,625,461,541)
Net carrying amount	5,098,229,436	5,328,300,686	39,192,350	10,465,722,472

A reconciliation of the carrying amounts of investment properties at the beginning and end of the reporting periods is as follows:

<i>(Amounts in PHP)</i>	Building and Improvements	Land and Land Development and Improvements	Construction in Progress	Total
Balance at January 1, 2025, net of accumulated depreciation and amortization				
As previously reported	5,066,931,602	5,448,697,316	1,361,212,738	11,876,841,656
Effect of reclassification	-	(86,745,054)	-	(86,745,054)
As restated [see Note 2.1 (c)]	5,066,931,602	5,361,952,262	1,361,212,738	11,790,096,602
Additions	32,500,255	13,879,896	490,090,121	536,470,272
Reclassifications	-	(162,761,030)	-	(162,761,030)
Depreciation and amortization charges for the year	(191,773,710)	-	-	(191,773,710)
Balance at December 31, 2025, net of accumulated depreciation and amortization	4,907,658,147	5,213,071,128	1,851,302,859	11,972,032,134
Balance at January 1, 2024, net of accumulated depreciation and amortization				
As previously reported	5,098,229,436	5,415,045,740	39,192,350	10,552,467,526
Effect of reclassification	-	(86,745,054)	-	(86,745,054)
As restated [see Note 2.1 (c)]	5,098,229,436	5,328,300,686	39,192,350	10,465,722,472
Additions	193,322,025	33,651,576	524,229,958	751,203,559
Reclassifications	(9,354,603)	-	797,790,430	788,435,827
Depreciation and amortization charges for the year	(215,265,256)	-	-	(215,265,256)
Balance at December 31, 2024, net of accumulated depreciation and amortization	5,066,931,602	5,361,952,262	1,361,212,738	11,790,096,602

<i>(Amounts in PHP)</i>	Building and Improvements	Land and Land Development and Improvements	Construction in Progress	Total
Balance at January 1, 2023, net of accumulated depreciation and amortization				
As previously reported	5,252,001,092	5,401,792,801	51,918,605	10,705,712,498
Effect of reclassification	-	(86,745,054)	-	(86,745,054)
As restated [see Note 2.1 (c)]	5,252,001,092	5,315,047,747	51,918,605	10,618,967,444
Additions	28,099,715	13,252,939	11,841,088	53,193,742
Reclassifications	24,567,343	-	(24,567,343)	-
Depreciation and amortization charges for the year	(206,438,714)	-	-	(206,438,714)
Balance at December 31, 2023, net of accumulated depreciation and amortization	<u>5,098,229,436</u>	<u>5,328,300,686</u>	<u>39,192,350</u>	<u>10,465,722,472</u>

Rental revenues recognized in 2025, 2024 and 2023 amounted to P628.6 million, P584.2 million and P551.6 million, respectively, and are presented as Rental Income account under Revenues and Income section of the consolidated statements of comprehensive income (see Note 19.1). Depreciation and amortization charges substantially represent the direct costs in leasing these properties and is presented as part of Cost of Rentals and Other Operating Expenses in the consolidated statements of comprehensive income (see Notes 21 and 22.3). Other operating costs in leasing these properties include real property taxes amounting to P47.2 million, P43.0 million and P41.9 million in 2025, 2024 and 2023, respectively; and repairs and maintenance amounting to P1.6 million, P11.5 million and P12.4 million in 2025, 2024 and 2023, respectively. Real property taxes are included as part of Taxes and licenses in the consolidated statements of comprehensive income (see Note 21), while Repairs and maintenance is presented as part of Cost of Rentals (see Note 22.3).

The depreciation and amortization charges is allocated and presented in the consolidated statements of comprehensive income as follows:

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Cost of rentals and services	22.3	188,633,031	211,017,372	201,083,625
Other operating expenses	21	3,140,679	4,247,884	5,355,089
		<u>191,773,710</u>	<u>215,265,256</u>	<u>206,438,714</u>

Except for the construction in progress and land held for undetermined future use, all of the Group's investment properties generated rental income as at December 31, 2025 and 2024. In 2025 and 2024, there are no new contractual commitments for construction in progress projects.

In 2025, the Group reclassified land development costs with total carrying amount of P144.5 million from Property and Equipment to Land and Land development and improvements under Investment Properties (see Note 12). The reclassification was made as the land development costs provide benefits to certain properties intended for lease, of which the development has commenced during the year.

Further in 2025, the Group reclassified Land and Land development and improvements under Investment Properties amounting to P307.3 million to Inventories as actual development activities commenced during the year with the intention of selling them in the ordinary course of business (see Note 7).

In 2024, the Group reclassified projects from property development costs and real estate for sale amounting to P797.8 million to Construction in progress under Investment Properties, as development activities of the lease portion of these projects commenced. Also, Building and improvements under Investment Properties with a carrying amount of P9.4 million were reclassified to Inventories (see Note 7).

There were no transfers to, or from, investment properties in 2023.

Based on management's estimate, the fair value of building and improvements amounted to P12,374.3 million and P15,476.2 million as determined by calculating the present value of the cash inflows anticipated until the end of the life of the investment properties using the same discount rate of 7.80% as at December 31, 2025 and 2024, respectively.

On the other hand, the fair value of land and land development and improvements amounted to P30,250.2 million and P31,697.9 million as determined through appraisals by independent valuation specialists using market-based valuation approach where prices of comparable properties are adequate for specific market factors such as location and condition of the property as at December 31, 2025 and 2024, respectively.

The carrying amount of construction in progress approximates its fair value as the costs capitalized reflect current market-based inputs, and no indicators of impairment were identified at the reporting date.

Other information about the fair value measurement and disclosures related to the investment properties are presented in Note 31.3.

The capitalized borrowing costs on investment properties amounted to P405.5 million and P399.9 million in 2025 and 2024 based on capitalization rates of 6.51% and 7.29%, respectively. There were no capitalized borrowing costs incurred for investment properties in 2023 (see Note 15).

None of the Group's investment properties are used as collateral for its interest-bearing loans.

12. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of property and equipment at the beginning and end of the reporting periods are as follows:

<i>(Amounts in PHP)</i>	Land	Building	Office Furniture, Fixtures and Equipment	Transportation and Other Equipment	Building and Office Improvements	Total
December 31, 2025						
Cost	1,600,000	1,030,532,733	527,490,183	399,602,944	214,412,320	2,173,638,180
Accumulated depreciation and amortization	-	(468,796,339)	(392,348,306)	(359,111,746)	(150,612,698)	(1,370,869,089)
Net carrying amount	<u>1,600,000</u>	<u>561,736,394</u>	<u>135,141,877</u>	<u>40,491,198</u>	<u>63,799,622</u>	<u>802,769,091</u>
December 31, 2024						
Cost	1,600,000	1,165,621,185	433,472,231	374,202,689	179,720,684	2,154,616,789
Accumulated depreciation and amortization	-	(450,237,772)	(340,274,123)	(342,632,875)	(124,130,000)	(1,257,274,770)
Net carrying amount	<u>1,600,000</u>	<u>715,383,413</u>	<u>93,198,108</u>	<u>31,569,814</u>	<u>55,590,684</u>	<u>897,342,019</u>

<i>(Amounts in PHP)</i>	Land	Building	Office Furniture, Fixtures and Equipment	Transportation and Other Equipment	Building and Office Improvements	Total
January 1, 2024						
Cost	1,600,000	1,165,621,185	372,285,946	340,778,022	161,903,693	2,042,188,846
Accumulated depreciation and amortization	-	(436,786,983)	(299,526,256)	(322,123,817)	(103,928,600)	(1,162,365,656)
Net carrying amount	<u>1,600,000</u>	<u>728,834,202</u>	<u>72,759,690</u>	<u>18,654,205</u>	<u>57,975,093</u>	<u>879,823,190</u>

A reconciliation of the carrying amounts of property and equipment at the beginning and end of the reporting periods is shown below.

<i>(Amounts in PHP)</i>	Land	Building	Office Furniture, Fixtures and Equipment	Transportation and Other Equipment	Building and Office Improvements	Total
Balance at January 1, 2025, net of accumulated depreciation and amortization	1,600,000	715,383,413	93,198,108	31,569,814	55,590,684	897,342,019
Additions	-	9,447,458	94,017,952	25,400,255	34,691,636	163,557,301
Reclassifications	-	(144,535,910)	-	-	-	(144,535,910)
Depreciation and amortization charges for the year	-	(18,558,567)	(52,074,183)	(16,478,871)	(26,482,698)	(113,594,319)
Balance at December 31, 2025, net of accumulated depreciation and amortization	<u>1,600,000</u>	<u>561,736,394</u>	<u>135,141,877</u>	<u>40,491,198</u>	<u>63,799,622</u>	<u>802,769,091</u>
Balance at January 1, 2024, net of accumulated depreciation and amortization	1,600,000	728,834,202	72,759,690	18,654,205	57,975,093	879,823,190
Additions	-	-	61,186,285	33,897,451	17,816,991	112,900,727
Disposals	-	-	-	(472,783)	-	(472,783)
Depreciation and amortization charges for the year	-	(13,450,789)	(40,747,867)	(20,509,059)	(20,201,400)	(94,909,115)
Balance at December 31, 2024, net of accumulated depreciation and amortization	<u>1,600,000</u>	<u>715,383,413</u>	<u>93,198,108</u>	<u>31,569,814</u>	<u>55,590,684</u>	<u>897,342,019</u>
Balance at January 1, 2023, net of accumulated depreciation and amortization	1,600,000	742,451,421	55,194,723	17,847,170	66,676,934	883,770,248
Additions	-	-	46,831,795	12,945,238	8,928,311	68,705,344
Disposals	-	-	-	(379,464)	-	(379,464)
Depreciation and amortization charges for the year	-	(13,617,219)	(29,266,828)	(11,758,739)	(17,630,152)	(72,272,938)
Balance at December 31, 2023, net of accumulated depreciation and amortization	<u>1,600,000</u>	<u>728,834,202</u>	<u>72,759,690</u>	<u>18,654,205</u>	<u>57,975,093</u>	<u>879,823,190</u>

Depreciation and amortization of property and equipment is presented as part of Depreciation and amortization under Operating Expenses account in the consolidated statements of comprehensive income (see Note 21).

In 2025, the Group reclassified property and equipment with a total carrying amount of P144.5 million to Land and Land development and improvements under Investment Properties (see Note 11). There was no similar transaction in 2024 and 2023.

The Group disposed its property and equipment at its carrying value amounting to P0.5 million and P0.4 million, with no resulting gain or loss in 2024 and 2023, respectively. There was no similar transaction in 2025.

The Group's fully depreciated assets that are still being used in operations has a total original cost of P935.5 million and P709.6 million as at December 31, 2025 and 2024, respectively.

None of the Group's property and equipment are used as collateral for its interest-bearing loans and borrowings.

13. LEASES

The Group, as a lessee, has leases for certain offices and commercial lots. With the exception of short-term leases, each lease is reflected on the consolidated statement of financial position as a right-of-use asset and a lease liability.

Each lease generally imposes a restriction that, unless there is a contractual right for the Group to sublet the asset to another party, the right-of-use asset can only be used by the Group. Leases are either non-cancellable or may only be cancelled by incurring a substantive termination fee. The Group is prohibited from selling or pledging the underlying leased assets as security. For leases over offices, the Group must keep those properties in a good state of repair and return the properties in their original condition at the end of the lease. Further, the Group incur maintenance fees on such items in accordance with the lease contracts.

The table below describes the nature of the Group's leasing activities by type of right-of-use asset recognized in the consolidated statements of financial position.

	<u>Number of right-of-use assets leased</u>	<u>Range of remaining term</u>	<u>Average remaining term</u>	<u>Number of leases with extension options</u>	<u>Number of leases with termination options</u>
December 31, 2025					
Offices	7	1 – 5 years	4 years	7	7
Commercial lot	2	12 – 13 years	13 years	2	2
December 31, 2024					
Offices	7	1 – 3 years	2 years	7	7
Commercial lot	2	13 – 14 years	14 years	2	2
December 31, 2023					
Offices	8	1 – 4 years	3 years	8	8
Commercial lot	2	14 – 15 years	15 years	2	2

13.1 Right-of-use Assets

The carrying amounts of the Group's right-of-use assets as at December 31, 2025, 2024 and 2023, and the movements during the periods are shown below and in the succeeding page.

<i>(Amounts in PHP)</i>	<u>Offices</u>	<u>Commercial Lot</u>	<u>Total</u>
December 31, 2025			
Cost			
Balance at beginning of year	236,832,601	100,047,032	336,879,633
Additions	215,967,672	-	215,967,672
Derecognition of expired leases	(188,757,810)	-	(188,757,810)
Balance at end of year	<u>264,042,463</u>	<u>100,047,032</u>	<u>364,089,495</u>
Accumulated amortization			
Balance at beginning of year	183,063,380	32,077,045	215,140,425
Amortization for the year	46,850,696	5,087,868	51,938,564
Derecognition of expired leases	(188,757,810)	-	(188,757,810)
Balance at end of year	<u>41,156,266</u>	<u>37,164,913</u>	<u>78,321,179</u>
Carrying amount at December 31, 2025	<u>222,886,197</u>	<u>62,882,119</u>	<u>285,768,316</u>

<i>(Amounts in PHP)</i>	Offices	Commercial Lot	Total
December 31, 2024			
Cost			
Balance at beginning and end of year	236,832,601	100,047,032	336,879,633
Accumulated amortization			
Balance at beginning of year	135,149,093	26,989,176	162,138,269
Amortization for the year	47,914,287	5,087,869	53,002,156
Balance at end of year	183,063,380	32,077,045	215,140,425
Carrying amount at December 31, 2024	53,769,221	67,969,987	121,739,208
December 31, 2023			
Cost			
Balance at beginning of year	229,002,838	100,047,032	329,049,870
Additions	9,922,369	-	9,922,369
Derecognition of pre-terminated lease	(2,092,606)	-	(2,092,606)
Balance at end of year	236,832,601	100,047,032	336,879,633
Accumulated amortization			
Balance at beginning of year	92,865,561	21,901,308	114,766,869
Amortization for the year	43,886,513	5,087,868	48,974,381
Derecognition of pre-terminated lease	(1,602,981)	-	(1,602,981)
Balance at end of year	135,149,093	26,989,176	162,138,269
Carrying amount at December 31, 2023	101,683,508	73,057,856	174,741,364

The Group pre-terminated one of its lease contracts which resulted to a gain on pre-termination amounting to P0.5 million presented as part of Gain on derecognition of payables under Finance and Other Income in the 2023 consolidated statement of comprehensive income (see Note 20.1). There was no similar transaction in 2025 and 2024.

The amortization of right-of-use assets is presented as part of Depreciation and amortization under Operating Expenses account in the consolidated statements of comprehensive income (see Note 21).

13.2 Lease Liabilities

Lease liabilities are presented in the consolidated statements of financial position as at December 31 as follows:

<i>(Amounts in PHP)</i>	2025	2024
Current	48,987,432	45,922,954
Non-current	571,815,437	419,873,334
	620,802,869	465,796,288

The carrying amounts of the Group's lease liabilities as at December 31 and the movements during the periods are shown below.

<i>(Amounts in PHP)</i>	Notes	2025	2024
Balance at beginning of year		465,796,288	517,740,465
Additions		215,967,672	-
Repayment of lease liabilities		(67,894,465)	(63,751,311)
Interest amortization	20.2	34,447,428	38,654,005
Offsetting	6	(27,514,054)	(26,846,871)
Balance at end of year		620,802,869	465,796,288

The use of extension and termination options gives the Group added flexibility in the event it has identified more suitable premises in terms of cost and/or location or determined that it is advantageous to remain in a location beyond the original lease term. An option is only exercised when consistent with the Group's regional markets strategy and the economic benefits of exercising the option exceeds the expected overall cost.

The undiscounted maturity analysis of lease liabilities is as follows:

<i>(Amounts in PHP)</i>	Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
December 31, 2025							
Lease payment	95,674,124	86,692,462	86,920,868	87,123,975	77,802,614	683,978,303	1,118,192,346
Finance charges	(46,686,692)	(43,297,031)	(39,917,342)	(36,269,581)	(32,099,411)	(299,119,420)	(497,389,477)
Net present value	48,987,432	43,395,431	47,003,526	50,854,394	45,703,203	384,858,883	620,802,869
December 31, 2024							
Lease payment	80,617,102	46,391,037	35,210,082	35,698,966	36,983,300	722,295,135	957,195,622
Finance charges	(34,694,148)	(32,455,611)	(31,809,617)	(31,541,438)	(31,153,075)	(329,745,445)	(491,399,334)
Net present value	45,922,954	13,935,426	3,400,465	4,157,528	5,830,225	392,549,690	465,796,288

13.3 Lease Payments Not Recognized as Liabilities

The Group has elected not to recognize a lease liability for short-term leases. Payments made under such leases are expensed on a straight-line basis. In addition, certain variable lease payments are not permitted to be recognized as lease liabilities and are expensed as incurred.

The expenses related to short-term leases amounted to P139.4 million, P193.0 million and P66.3 million in 2025, 2024 and 2023, respectively, and are presented as Rentals in the consolidated statements of comprehensive income (see Notes 21, 22.2 and 22.3).

At December 31, 2025 and 2024, the Group is committed to short-term leases, and the total commitment at those dates are P13.1 million and P17.4 million, respectively.

13.4 Additional Profit or Loss and Cash Flow Information

The total cash outflow in respect of leases amounted to P67.9 million, P63.8 million and P62.5 million in 2025, 2024 and 2023, respectively. Interest expense in relation to lease liabilities amounted to P34.4 million, P38.7 million and P42.5 million in 2025, 2024 and 2023, respectively, and is presented as part of Finance Costs and Other Charges in the consolidated statements of comprehensive income (see Note 20.2).

14. OTHER NON-CURRENT ASSETS

This account consists of:

<i>(Amounts in PHP)</i>	Notes	2025	2024 [As restated – see Note 2.1(c)]
Deferred commission	19.3	587,508,517	536,313,201
Deferred tax assets – net	24	125,912,715	106,374,698
Refundable deposits	29.2	87,537,011	89,458,764
Software – net		18,967,020	3,826,230
Others		2,558,772	33,367,704
		822,484,035	769,340,597

The gross carrying amounts and accumulated amortization of software at the beginning and end of 2025, 2024 and 2023 are shown below.

<i>(Amounts in PHP)</i>	2025	2024	2023
Cost	42,067,254	21,289,556	20,177,660
Accumulated amortization	(23,100,234)	(17,463,326)	(15,289,160)
Net carrying amount	18,967,020	3,826,230	4,888,500

A reconciliation of the carrying amounts of software at the beginning and end of the reporting periods is shown below.

<i>(Amounts in PHP)</i>	2025	2024	2023
Balance at beginning of year, net of accumulated amortization	3,826,230	4,888,500	4,886,272
Additions	20,777,698	1,111,896	2,926,220
Amortization during the year	(5,636,908)	(2,174,166)	(2,923,992)
Balance at end of year, net of accumulated amortization	18,967,020	3,826,230	4,888,500

The amortization for software amounting to P5.6 million, P2.2 million and P2.9 million in 2025, 2024 and 2023 respectively, are presented as part of Depreciation and amortization under Other Operating Expenses account in the consolidated statements of comprehensive income (see Note 21).

As of December 31, 2025 and 2024, management assessed that the Group's other non-current assets are fully recoverable. As such, no impairment losses are recognized in 2025, 2024 and 2023.

15. INTEREST-BEARING LOANS

The Group's interest-bearing loans are broken down as follows:

<i>(Amounts in PHP)</i>	2025	2024
Current	1,859,047,059	1,908,200,000
Non-current	7,729,279,492	7,603,919,109
	<u>9,588,326,551</u>	<u>9,512,119,109</u>

In 2025, the Company obtained unsecured interest-bearing loans from Banco De Oro Unibank, Inc. (BDO), Rizal Commercial Banking Corporation (RCBC) and Unionbank of the Philippines (UB) amounting to P1,000.0 million, P1,000.0 million and P2,000.0 million, respectively. The loan with BDO bears a floating interest rate and subject to quarterly repricing, payable quarterly in arrears for five years. The loan from RCBC was availed through a drawdown facility, bears a floating interest rate and subject to quarterly repricing, payable quarterly in arrears for six years. The loan from UB is composed of two loans worth P1,500.0 million and P500.0 million, the latter being an additional drawdown, which bear floating interest rates and subject to quarterly repricing, payable quarterly in arrears for seven years. As of December 31, 2025, the total outstanding balance of these loans amounted to P3,972.3 million.

In 2024, the Company obtained unsecured interest-bearing loans from BDO and RCBC amounting to P500.0 million and P1,000.0 million, respectively. The loan with BDO bears a floating interest rate and subject to quarterly repricing, payable quarterly in arrears for five years. The loan from RCBC is composed of two loans worth P500 million each, subject to floating interest rates and subject to quarterly repricing, payable quarterly in arrears for seven years. As of December 31, 2025 and 2024, the total outstanding balance of these loans amounted to P1,368.0 million and P1,489.9 million, respectively.

In 2023, TLC obtained a P1,500.0 million unsecured, interest-bearing loan with a term of five years from UB. The loan is payable in equal quarterly amortizations beginning June 2024. This loan bears a floating interest rate and subject to quarterly repricing. Interest shall be payable quarterly in arrears. The outstanding balance of the related loan amounted to P937.5 million and P1,312.5 million as at December 31, 2025 and 2024, respectively.

In 2023, the Company obtained unsecured interest-bearing loans from China Banking Corporation (Chinabank), and BDO amounting to P2,000.0 million and P1,500.0 million, respectively. The loan from Chinabank is composed of two loans worth P1,000.0 million, each, payable quarterly in arrears for five years and are subject to floating interest rates and quarterly repricing. The loan obtained from BDO is subject to floating interest rates and quarterly repricing and is payable quarterly in arrears for five years. The total outstanding balance of these loans amounted to P2,782.4 million and P3,483.1 million as at December 31, 2025, and 2024, respectively.

The Company and TLC obtained unsecured, interest-bearing loans from Megaworld in the last quarter of 2022 and 2021 amounting to P1,500.0 million and P2,000.0 million, respectively. These loans bear a fixed interest rate of 6.33% and shall be payable for a maximum term of 16 months for the loan obtained in 2022 and for a maximum period of eight years for the loan obtained in 2021. The outstanding balance of the loans amounted to P129.0 million and P2,000.0 million as of December 31, 2025 and 2024, respectively. The loan obtained in 2022 was fully paid in 2023.

In 2021, TLC also obtained another unsecured, interest-bearing loan from Megaworld amounting to P129.0 million with an interest rate of 6.00% and shall be payable for a maximum term of five years. The outstanding balance of the related loan was P129.0 million as at December 31, 2024, and was fully paid in 2025 (see Note 25.8).

The Company availed unsecured, interest-bearing loans from RCBC in 2021 and 2020. The loan obtained in 2021 amounting to P500.0 million is payable quarterly with a term of seven years and the loan obtained in 2020 amounting to P500.0 million is payable quarterly with a term of seven years. The loan bears floating interest rate subject to quarterly repricing and is payable quarterly in arrears. The outstanding balance of these loans amounted to P399.1 million and P598.2 million as at December 31, 2025 and 2024, respectively.

The Company availed unsecured, interest-bearing loans from UB in 2021 and 2020. The loan obtained in 2021 amounting P1,000.0 million, bearing a fixed interest rate of 5.37%, is payable quarterly in arrears, for a term of five years. The loan obtained in 2020 amounting to P1,000.0 million is payable for a term of five years bearing a fixed rate 5.26% and is payable quarterly in arrears. The outstanding balance pertaining to these loans amounted to P499.4 million as of December 31, 2024. Both loans were fully paid in 2025.

In 2020, TLC obtained additional unsecured, interest-bearing loan from BDO amounting to P500.0 million. The loan bears a floating interest rate ranging from 5.0% to 7.0% subject to 30 days to 180 days repricing. Quarterly instalments beginning November 2020 are due until the loan is fully settled in 2024 for this interest-bearing loan. The loan was fully paid in 2024.

In 2019, the Company and TLC obtained unsecured, long-term loans from BDO totalling to P2,500.0 million, payable quarterly for a term of five years. The loan amounting to P2,000.0 million bears a floating interest subject to quarterly repricing and is payable quarterly in arrears. The other P500.0 million is used for the funding requirements of the construction of projects in Twin Lakes Tagaytay. These loans were fully paid in 2024.

The Group has properly complied with the loan agreements' covenants as of the end of the reporting period (see Note 32).

Total interest costs incurred attributable to these loans amounted to P661.5 million, P642.3 million, and P554.0 million in 2025, 2024, and 2023, respectively. Average capitalization rate used in determining the amount of interest charges qualified for capitalization is 6.51%, 7.29% and 6.13% in 2025, 2024 and 2023, respectively.

The capitalized borrowing costs amounted to P405.5 million, P399.9 million, and P546.3 million, in 2025, 2024, and 2023, respectively. The 2025 and 2024 borrowing costs were capitalized as part of Investment Properties (see Note 11), while the 2023 borrowing costs were capitalized as part of the Inventories (see Note 7). Interest charged to expense amounted to P256.0 million, P242.4 million, and P7.7 million in 2025, 2024, and 2023, respectively, and is presented as part of Finance costs under Finance Costs and Other Charges account in the consolidated statements of comprehensive income (see Note 20.2).

The total accrued interest payable amounted to P88.8 million and P22.4 million as of December 31, 2025 and 2024, respectively, is presented as part of Accrued expenses under the Trade and Other Payables account in the consolidated statements of financial position (see Note 16).

16. TRADE AND OTHER PAYABLES

This account consists of:

<i>(Amounts in PHP)</i>	Note	2025	2024
Trade payables		3,872,218,735	3,847,460,940
Accrued expenses	15	401,734,635	408,067,613
Retention payable		260,523,551	292,362,430
Security deposit		130,854,392	137,621,162
Liabilities for land acquisition		114,105,640	111,525,813
Income tax payable		12,976,059	11,816,101
Others		461,169,908	314,911,796
		5,253,582,920	5,123,765,855

Trade payables mainly represent obligations to subcontractors and suppliers of construction materials for the Group's projects.

Accrued expenses represent accruals for commission, utilities, professional fees, outside services, interest and other expenses incurred in the normal operations of the Group.

Retention payable pertains to amount withheld from payments made to contractors to ensure compliance and completion of contracted projects equivalent to 10% of every billing made by the contractor. Upon completion of the contracted projects, the amounts are remitted back to the contractors. Those which are due to be remitted beyond 12 months from the end of the reporting period is presented as part of Other Non-current Liabilities in the consolidated statements of financial position (see Note 18).

Liabilities for land acquisition represent the unpaid portion of raw land acquired by the Group for the development of real estate projects.

Other payables consist primarily of unearned rentals, payables to government and other regulatory agencies. In 2023, the Group derecognized certain liabilities amounting to P58.5 million, which resulted to a gain on derecognition of payables presented as part of Finance and Other Income in the 2023 consolidated statement of comprehensive income (see Note 20.1). There was no similar transaction in 2025 and 2024.

17. DUE TO JOINT VENTURE PARTNERS

This account represents the share of joint venture partners in the proceeds from the sale of certain projects in accordance with various joint venture agreements entered into by the Group.

The account pertains to payables to golf share partners and lot owners amounting to P477.0 million and P491.1 million as of December 31, 2025 and 2024, respectively. The total amounts are currently due and demandable and presented under the Current Liabilities section of the consolidated statements of financial position.

18. OTHER NON-CURRENT LIABILITIES

The details of the account are as follows:

<i>(Amounts in PHP)</i>	Note	2025	2024
Retention payable	16	583,630,415	530,235,561
Security deposits		54,561,467	30,874,963
Advance rental		8,864,376	9,420,734
Others		7,864,326	7,196,715
		<u>654,920,584</u>	<u>577,727,973</u>

19. REVENUES

19.1 Disaggregation of Revenues

The Group derives revenues mainly from sale of real properties, rentals and hotel operations. An analysis of the Group's major sources of revenues is presented below and in the succeeding page.

<i>(Amounts in PHP)</i>	Segments			
	Real Estate	Hotel Operations	Rentals	Total
2025				
Geographical areas:				
Luzon	4,660,997,630	321,340,984	589,031,958	5,571,370,572
Visayas	1,101,841,920	564,177,198	39,537,020	1,705,556,138
	<u>5,762,839,550</u>	<u>885,518,182</u>	<u>628,568,978</u>	<u>7,276,926,710</u>
Types of product or services:				
Residential lots	2,675,316,025	-	-	2,675,316,025
Residential condominium	2,187,473,842	-	-	2,187,473,842
Commercial lots and spaces	900,049,683	-	-	900,049,683
Room accommodation	-	738,187,050	-	738,187,050
Food and beverages	-	147,331,132	-	147,331,132
Rentals	-	-	628,568,978	628,568,978
	<u>5,762,839,550</u>	<u>885,518,182</u>	<u>628,568,978</u>	<u>7,276,926,710</u>
2024				
Geographical areas:				
Luzon	4,037,822,077	296,975,869	532,274,464	4,867,072,410
Visayas	1,847,574,814	659,342,448	51,904,833	2,558,822,095
	<u>5,885,396,891</u>	<u>956,318,317</u>	<u>584,179,297</u>	<u>7,425,894,505</u>
Types of product or services:				
Residential lots	2,976,603,609	-	-	2,976,603,609
Residential condominium	1,798,052,747	-	-	1,798,052,747
Commercial lots and spaces	1,110,740,535	-	-	1,110,740,535
Room accommodation	-	787,230,958	-	787,230,958
Food and beverages	-	169,087,359	-	169,087,359
Rentals	-	-	584,179,297	584,179,297
	<u>5,885,396,891</u>	<u>956,318,317</u>	<u>584,179,297</u>	<u>7,425,894,505</u>

(Amounts in PHP)	Segments			
	Real Estate	Hotel Operations	Rentals	Total
2023				
Geographical areas:				
Luzon	3,707,644,647	275,268,760	545,969,962	4,528,883,369
Visayas	2,801,184,468	291,896,446	5,589,843	3,098,670,757
	<u>6,508,829,115</u>	<u>567,165,206</u>	<u>551,559,805</u>	<u>7,627,554,126</u>
Types of product or services:				
Residential lots	3,830,916,112	-	-	3,830,916,112
Residential condominium	1,687,354,489	-	-	1,687,354,489
Commercial lots and spaces	990,558,514	-	-	990,558,514
Room accommodation	-	402,993,730	-	402,993,730
Food and beverages	-	164,171,476	-	164,171,476
Rentals	-	-	551,559,805	551,559,805
	<u>6,508,829,115</u>	<u>567,165,206</u>	<u>551,559,805</u>	<u>7,627,554,126</u>

19.2 Contract Accounts

The Group's contract assets and liabilities are classified as follows:

(Amounts in PHP)	2025		2024	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Current	3,084,755,155	217,630,187	4,473,585,570	86,684,170
Non-current	847,953,590	152,590,801	526,379,353	262,195,658
	<u>3,932,708,745</u>	<u>370,220,988</u>	<u>4,999,964,923</u>	<u>348,879,828</u>

The changes in the contract assets and liabilities balances during the year are as follows:

(Amounts in PHP)	2025		2024	
	Contract Assets	Contract Liabilities	Contract Assets	Contract Liabilities
Balance at beginning of year	4,999,964,923	348,879,828	5,807,264,015	925,812,859
Effect of adoption of PFRS 15 [see Note 2.1b(ii)]	-	-	(863,705,256)	(548,850,337)
Balance at beginning of year, as adjusted	4,999,964,923	348,879,828	4,943,558,759	376,962,522
Transfers from contract assets recognized at the beginning of year to accounts receivables	(1,611,771,231)	-	(1,205,876,404)	-
Increase as a result of changes in measurement of progress	244,214,155	-	1,077,402,711	-
Accretion of interest income from significant financing component	457,530,793	-	193,322,113	-
Revenue recognized that was included in contract liability at the beginning of year	-	(97,004,003)	-	(557,098,986)
Increase due to cash received excluding amount recognized as revenue during the year	-	105,861,829	-	512,501,945
Accretion of interest expense from significant financing component	-	20,982,231	-	20,818,029
Sales cancellation	(157,229,895)	(8,498,897)	(8,442,256)	(4,303,682)
Balance at end of year	<u>3,932,708,745</u>	<u>370,220,988</u>	<u>4,999,964,923</u>	<u>348,879,828</u>

The related interest income and expense from amortization of the significant financing component are presented as part of Finance income under Finance and Other Income and Finance cost under Finance Costs and Other Charges accounts in the 2025 and 2024 consolidated statements of comprehensive income (see Note 20.1 and 20.2).

19.3 Direct Contract Costs

The Group incurs sales commissions upon execution of contracts to sell real properties to customers. These are amortized over the expected construction period on the same basis as how the Group measures progress towards complete satisfaction of its performance obligation in its contracts. Amounts expected to be amortized based on the percentage of completion of the projects within 12 months after the reporting date are classified as current assets, while the remaining balance is classified as non-current assets.

Incremental costs of commission incurred to obtain contracts are capitalized and presented as part of Prepayments and Other Current Assets and Other Non-current Assets accounts in the consolidated statements of financial position as shown below.

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	2024 [As restated – see Note 2.1(c)]
Current	8	324,361,297	178,596,497
Non-current	14	587,508,517	536,313,201
		<u>911,869,814</u>	<u>714,909,698</u>

The movements in balances of deferred commission is presented below.

<i>(Amounts in PHP)</i>	<u>Note</u>	<u>2025</u>	<u>2024</u>
Balance at beginning of year		714,909,698	494,720,240
Additions for the year		334,252,194	377,169,974
Amortization for the year	21	<u>(137,292,078)</u>	<u>(156,980,516)</u>
Balance at end of year		<u>911,869,814</u>	<u>714,909,698</u>

The total amount of amortization for 2025, 2024 and 2023 is presented as part of Commissions under Other Operating Expenses account in the consolidated statements of comprehensive income (see Note 21).

19.4 Transaction Price Allocated to Unsatisfied Performance Obligations

The aggregate amount of transaction price allocated to partially or wholly unsatisfied contracts as of December 31, 2025 and 2024 is P4,027.4 million and P3,903.9 million, respectively. The Group expects to recognize revenue from unsatisfied contracts as of December 31 as summarized in the succeeding page.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Within a year	1,463,270,961	1,494,424,482
More than one year to three years	2,481,485,803	2,016,625,431
More than three to five years	82,617,798	392,846,099
	<u>4,027,374,562</u>	<u>3,903,896,012</u>

20. FINANCE INCOME AND FINANCE COSTS

20.1 Finance and Other Income

Presented below are the details of this account.

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Finance income	5, 6, 9, 19.2	760,512,450	871,826,272	256,239,353
Foreign currency gains – net		649,233	2,238,530	7,868,325
Gain on derecognition of payables	13, 16	-	-	58,504,431
Miscellaneous		<u>377,472,463</u>	<u>297,430,490</u>	<u>124,928,716</u>
		<u>1,138,634,146</u>	<u>1,171,495,292</u>	<u>447,540,825</u>

Miscellaneous income includes forfeiture of reservation fees from customers and other income of the Group.

20.2 Finance Costs and Other Charges

Presented below are the details of this account.

<i>(Amounts in PHP)</i>	<u>Notes</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Loss on refund and sales cancellations		730,508,360	486,290,819	280,950,630
Finance cost	13, 15, 19.2 23.2, 25.4, 25.8	357,323,639	345,576,030	97,488,666
Miscellaneous	10.1	<u>12,557,912</u>	<u>5,462,292</u>	<u>-</u>
		<u>1,100,389,911</u>	<u>837,329,141</u>	<u>378,439,296</u>

A loss on refund is recognized when the customer is entitled for a refund on sales cancellation.

21. OPERATING EXPENSE BY NATURE

Presented below are the details of this account.

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Cost of real estate sales	22.1	1,939,737,872	2,422,416,935	2,798,985,876
Salaries and employee benefits	23.1	1,077,570,562	916,812,731	713,866,818
Depreciation and amortization	11, 12, 13, 14	362,943,501	365,350,693	330,610,025
Utilities and supplies		193,065,998	210,176,871	127,253,848
Taxes and licenses	11	191,533,744	167,745,572	171,153,805
Commissions	19.3, 25.5	149,029,195	192,299,458	197,854,996
Repairs and maintenance	11	147,810,057	146,770,519	80,159,806
Professional fees and outside services		142,378,091	122,803,214	115,090,148
Rentals	13.3	139,409,132	193,024,810	66,307,413
Subscriptions dues		128,132,992	98,905,950	82,018,240
Transportation		64,439,318	45,961,735	49,930,739
Food and beverages	22.2	41,252,160	44,613,481	37,021,102
Advertising and promotions		39,848,016	35,693,637	30,698,004
Laundry and dry cleaning	22.2	23,088,717	10,103,935	13,013,415
Representation		21,287,766	16,358,804	11,701,050
Registration and other fees		12,704,196	4,618,437	2,967,025
Insurance expense		11,335,846	10,617,724	6,336,145
Association dues		7,401,836	2,867,779	744,876
Impairment loss	6	6,048,566	98,340,811	-
Gas and oil		5,292,064	4,596,001	6,374,986
Accommodation		3,381,068	3,739,013	292,494
Training and recruitment		1,471,761	1,746,091	2,984,365
Miscellaneous	25.6	227,297,342	227,476,810	188,126,432
		<u>4,936,459,800</u>	<u>5,343,041,011</u>	<u>5,033,491,608</u>

Miscellaneous expenses mainly include communication expense and service fees charged by a stockholder and cost of materials and overhead incurred in relation to the maintenance of the golf course.

These expenses are classified in the consolidated statements of comprehensive income as follows:

<i>(Amounts in PHP)</i>	Note	2025	2024	2023
Cost of real estate sales	22.1	1,939,737,872	2,422,416,935	2,798,985,876
Cost of hotel operations	22.2	447,718,650	528,879,515	297,442,621
Cost of rentals and services	22.3	359,245,568	371,395,395	365,948,174
Other operating expenses		<u>2,189,757,710</u>	<u>2,020,349,166</u>	<u>1,571,114,937</u>
		<u>4,936,459,800</u>	<u>5,343,041,011</u>	<u>5,033,491,608</u>

22. DIRECT COSTS

22.1 Cost of Real Estate Sales

The composition of the cost of real estate sales for the years ended December 31 are as follows:

<i>(Amounts in PHP)</i>	Note	2025	2024	2023
Construction costs		1,819,026,792	2,305,612,290	2,484,987,792
Land cost		120,711,080	116,804,645	138,181,758
Borrowing cost	7	-	-	175,816,326
		<u>1,939,737,872</u>	<u>2,422,416,935</u>	<u>2,798,985,876</u>

No borrowing costs were recognized under Cost of Real Estate Sales in 2025 and 2024 due to the adoption of IFRIC Agenda Decision on PAS 23 using modified retrospective approach in 2024 [see Note 2.1(b)(i)].

22.2 Cost of Hotel Operations

The composition of the cost of hotel operations for the years ended December 31 are as follows:

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Salaries and employee benefits		166,389,257	174,491,682	97,087,280
Rentals	13.3	100,699,425	176,741,730	41,548,317
Utilities and supplies		50,737,581	40,689,210	44,710,121
Food and beverages	21	41,252,160	44,613,481	37,021,102
Laundry and dry cleaning	21	23,088,717	10,103,935	13,013,415
Transportation		13,868,329	10,669,012	22,720,596
Depreciation and amortization	12, 14	10,416,591	10,956,444	8,568,570
Commission	25.5	6,044,058	7,677,789	15,240,063
Repairs and maintenance	11	532,263	1,231,720	1,484,508
Miscellaneous	25.6	34,690,269	51,704,512	16,048,649
		<u>447,718,650</u>	<u>528,879,515</u>	<u>297,442,621</u>

Miscellaneous includes expenses for management fees, insurance, representation and entertainment, club bookings, and communication expenses.

22.3 Cost of Rentals and Services

The composition of the cost of rentals for the years ended December 31 are as follows:

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Depreciation and amortization	11, 14	188,633,031	211,017,372	201,083,625
Repairs and maintenance	11	120,424,257	115,148,292	114,595,010
Salaries and employee benefits		42,177,118	36,455,251	42,805,813
Rentals	13.3	487,817	470,300	461,412
Miscellaneous	25.6	7,523,345	8,304,180	7,002,314
		<u>359,245,568</u>	<u>371,395,395</u>	<u>365,948,174</u>

23. EMPLOYEE BENEFITS

23.1 Salaries and Employee Benefits

Salaries and employee benefits which are presented as part of Operating Expenses in the consolidated statements of comprehensive income are shown below.

<i>(Amounts in PHP)</i>	Notes	2025	2024	2023
Short-term benefits		1,043,263,773	893,962,378	702,537,215
Post-employment defined benefit	23.2	34,306,789	22,850,353	11,329,603
	21	<u>1,077,570,562</u>	<u>916,812,731</u>	<u>713,866,818</u>

23.2 Post-employment Defined Benefit Plan

(a) Characteristics of the Defined Benefit Plan

The Group has an unfunded, non-contributory defined benefit plan covering all regular employees. The plan provides for lump-sum benefits equivalent to 85% to 150% of the employee's monthly salary for every year of service depending on the number of years of service. The normal retirement age is 60 years old and applicable upon completion of five years of faithful and continuous service to the Group. However, an employee who attains the age of 50 with the completion of no less than 10 years of service or has completed 15 years of service and opts for an early retirement is likewise entitled to the same benefits.

(b) Explanation of Amounts Presented in the Consolidated Financial Statements

Actuarial valuations are made annually to update the retirement benefit costs and the amount of contributions. All amounts presented below and in the succeeding pages are based on the actuarial valuation report obtained from an independent actuary in 2025, 2024 and 2023.

The movements in present value of the retirement benefit obligation are as follows:

<i>(Amounts in PHP)</i>	2025	2024
Balance at beginning of year	188,592,383	142,618,469
Current service cost	34,306,789	22,850,353
Interest expense	10,916,018	9,912,175
Past service cost	(3,446,530)	-
Benefits paid	(1,528,358)	(625,973)
Other movements	(8,427)	59,753
Actuarial losses(gains)		
arising from changes in:		
Financial assumptions	(13,232,777)	468,519
Demographic assumptions	59,246	11,534,054
Experience adjustments	(29,258)	1,775,033
Balance at end of year	<u>215,629,086</u>	<u>188,592,383</u>

The amounts of post-employment benefit recognized in the consolidated statements of comprehensive income are as follows:

<i>(Amounts in PHP)</i>	2025	2024	2023
<i>Reported in profit or loss:</i>			
Current service cost	34,306,789	22,850,353	11,329,603
Interest expense	10,916,018	9,912,175	8,636,453
Past service cost	(3,446,530)	-	-
Others	(8,427)	59,753	(143,430)
	<u>41,767,850</u>	<u>32,822,281</u>	<u>19,822,626</u>
<i>Reported in other comprehensive loss (income) –</i>			
Actuarial losses (gains) arising from changes in:			
Financial assumptions	(13,232,777)	468,519	12,596,615
Demographic assumptions	59,246	11,534,054	240,109
Experience adjustments	(29,258)	1,775,033	(1,053,100)
	<u>(13,202,789)</u>	<u>13,777,606</u>	<u>11,783,624</u>

The amounts of current service cost, past service cost and other cost incurred are presented as part of Salaries and employee benefits under Other Operating Expenses account in the consolidated statements of comprehensive income (see Notes 21 and 23.1).

The amounts of interest expense related to the retirement benefit obligation are presented as part of Finance costs under Finance Costs and Other Charges account in the consolidated statements of comprehensive income (see Note 20.2).

The amount recognized in other comprehensive income is included as an item that will not be reclassified subsequently to profit or loss.

In determining the amount of retirement benefit obligation, the following actuarial assumptions were used for the reporting periods:

	2025	2024	2023
Discount rates	5.95% - 6.60%	5.84% - 6.10%	6.10% - 6.66%
Expected rate of salary increase	1.00% - 4.00%	1.00% - 4.00%	1.00% - 4.00%

Assumptions regarding future mortality are based on published statistics and mortality tables. The average expected remaining working life of employees retiring at the age of 60 is 35 years for both males and females. These assumptions were developed by management with the assistance of an independent actuary. Discount factors are determined close to the end of each reporting period by reference to the interest rates of a zero coupon bond government bonds with terms to maturity approximating to the terms of the post-employment obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) *Risks Associated with the Retirement Plan*

The plan exposes the Group to actuarial risks such as interest rate risk and longevity and salary risks.

(i) *Interest Risk*

The present value of the defined benefit obligation is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of a reference government bonds will increase the plan obligation.

(ii) *Longevity and Salary Risks*

The present value of the defined benefit obligation is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) *Other Information*

The information on the sensitivity analysis for certain significant actuarial assumptions and the Group's timing and uncertainty of future cash flows related to the retirement plan are described in the succeeding page.

(i) *Sensitivity Analysis*

(Amounts in PHP)

	Impact on Retirement Benefit Obligation		
	Change in Assumptions	Increase in Assumptions	Decrease in Assumptions
<u>December 31, 2025</u>			
Discount rates	+/- 0.5% - 1.0%	(13,608,149)	15,499,056
Salary increase rate	+/- 1.0%	31,440,829	(25,128,920)
<u>December 31, 2024</u>			
Discount rates	+/- 0.5% - 1.0%	(8,996,474)	10,863,357
Salary increase rate	+/- 1.0%	23,349,416	(16,771,650)

The sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. This analysis may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognized in the consolidated statements of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous years.

(ii) *Funding Arrangements and Expected Contributions*

The plan is currently unfunded as at December 31, 2025 and 2024. While there is no minimum funding requirement in the country, the non-funding may pose a cash flow risk in about 20 years' time when a significant number of employees is expected to retire.

As at December 31, 2025 and 2024, the Group is yet to determine how much and when to fund the post-employment benefit plan.

The maturity profile for the next 20 years of undiscounted expected benefit payments from the plan follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Within one year	29,967,355	25,305,758
More than one year to five years	40,786,307	43,883,120
More than five years to 10 years	75,666,516	52,925,451
More than 10 years to 15 years	174,433,232	159,712,122
More than 15 years to 20 years	507,277,253	396,217,959
	<u>828,130,663</u>	<u>678,044,410</u>

The weighted average duration of the defined benefit obligation at the end of the reporting period is 17.43 years.

24. CURRENT AND DEFERRED TAXES

The components of tax expense (income) as reported in the consolidated statements of comprehensive income are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
<i>Reported in profit or loss</i>			
Current tax expense:			
Regular corporate income tax (RCIT) at 25% or 20%	503,719,139	232,414,677	216,257,823
Minimum corporate income tax (MCIT) at 2% in 2025 and 2024 and 1.5% in 2023	8,076,034	20,220,073	3,252,971
Application of excess MCIT over RCIT	(4,866,029)	-	-
Final taxes at 20%, 15%, and 7.5%	5,608,512	6,333,883	7,778,376
	<u>512,537,656</u>	<u>258,968,633</u>	<u>227,289,170</u>
Deferred tax expense relating to origination and reversal of temporary differences	<u>131,911,928</u>	<u>290,574,257</u>	<u>589,468,647</u>
	<u>644,449,584</u>	<u>549,542,890</u>	<u>816,757,817</u>
<i>Reported in other comprehensive income (loss) –</i>			
Deferred tax income (expense) relating to remeasurements of retirement benefit plan	<u>(3,300,697)</u>	<u>3,444,402</u>	<u>2,945,906</u>

A reconciliation of tax on pretax profit computed at the applicable statutory rates to income tax expense reported in the consolidated statements of comprehensive income is presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Tax on pretax profit at 25%	725,184,770	676,537,365	731,683,428
Adjustments for income subjected to lower income tax rates	423,405,624	241,544,329	92,780,566
Tax effects of:			
Non-taxable income	(572,672,228)	(416,810,185)	(137,506,480)
Reversal of temporary differences	15,283,979	(29,890,520)	(4,260,845)
Non-deductible expenses	46,783,064	78,898,151	126,192,867
Unrecognized deferred tax assets	3,938,263	-	-
Non-deductible interest expense	2,417,011	1,306,911	944,905
Excess MCIT over RCIT	109,101	3,657,237	8,815,168
Application of previously unrecognized deferred tax assets	-	(5,700,398)	(3,762,031)
Expiration of unrecognized deferred tax asset on net operating loss carry over (NOLCO)	-	-	1,870,239
Tax expense	<u>644,449,584</u>	<u>549,542,890</u>	<u>816,757,817</u>

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

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Deferred tax liabilities:		
Unrealized profit on real estate sales	3,221,597,612	3,166,946,976
Capitalized borrowing cost	164,601,317	77,724,830
Rental income	144,509,847	149,057,850
Deferred commission	132,710,924	130,655,922
Marketing fee receivable	79,754,227	129,913,355
Finance lease	78,060,370	78,778,630
Refund liability	11,174,022	7,795,345
Unrealized foreign currency gains	-	559,636
	<u>3,832,408,319</u>	<u>3,741,432,544</u>
Deferred tax assets:		
Allowance for impairment	(99,576,306)	(124,161,509)
Leases	(84,827,059)	(103,759,451)
Retirement benefit obligation	(50,360,879)	(43,284,687)
Unrealized foreign currency losses	(6,207)	-
MCIT	(5,240)	-
Accrued expenses	-	(19,619,198)
Unearned income	-	(7,725,714)
	<u>(234,775,691)</u>	<u>(298,550,559)</u>
	<u>3,597,632,628</u>	<u>3,442,881,985</u>

The components of the net deferred tax assets as of December 31, 2025 and 2024 separately reported under the Other Non-current Assets account (see Note 14) are as follows:

<i>(Amounts in PHP)</i>	2025	2024
Deferred tax assets:		
NOLCO	101,268,397	95,054,270
Allowance for impairment	26,097,345	-
Leases	17,662,566	39,283
MCIT	10,570,429	5,648,630
Unearned income	7,591,446	-
Retirement benefit obligation	3,651,064	3,888,075
Accrued expense	-	1,785,858
	166,841,247	106,416,116
Deferred tax liabilities:		
Rental income	(40,928,532)	-
Unearned income	-	(41,418)
	(40,928,532)	(41,418)
	125,912,715	106,374,698

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

<i>(Amounts in PHP)</i>	Consolidated Statements of Comprehensive Income					
	Profit or Loss			Other Comprehensive Loss (Income)		
	2025	2024	2023	2025	2024	2023
Capitalized borrowing cost	86,876,487	77,724,830	33,337,370	-	-	-
Unrealized profit on real estate sales	54,650,636	271,834,428	592,780,747	-	-	-
Marketing fee receivable	(50,159,128)	(5,737,874)	2,085,141	-	-	-
Rental income	36,380,529	(5,809,242)	22,121,401	-	-	-
Accrued expenses	21,405,056	(14,529,856)	-	-	-	-
Retirement benefit obligation	(10,139,879)	(7,923,531)	(7,004,496)	3,300,697	(3,444,402)	(2,945,906)
NOLCO	(6,214,127)	(15,854,840)	(22,490,078)	-	-	-
MCIT	(4,927,039)	(2,230,167)	(817,075)	-	-	-
Refund liability	3,378,677	3,004,823	1,604,205	-	-	-
Deferred commission	2,055,002	41,682,845	(2,054,497)	-	-	-
Allowance for impairment	(1,512,142)	(24,585,403)	(3,368)	-	-	-
Leases	1,309,109	(29,615,186)	(64,977,793)	-	-	-
Finance lease	(718,260)	6,460,145	(19,602,520)	-	-	-
Unrealized foreign currency gains	(565,843)	(1,536,418)	(4,924,899)	-	-	-
Unearned income	92,850	(2,310,297)	131,301	-	-	-
Share-based employee compensation	-	-	59,106,392	-	-	-
Advances from customers	-	-	176,816	-	-	-
Deferred tax expense (income) - net	131,911,928	290,574,257	589,468,647	3,300,697	(3,444,402)	(2,945,906)

The details of NOLCO during the year are shown below.

Year Incurred	Original Amount	Applied Amount	Expired During the Year	Remaining Balance	Valid Until
2025	41,142,762	-	-	41,142,762	2028
2024	22,770,688	-	-	22,770,688	2027
2023	36,681,933	-	-	36,681,933	2026
2022	141,259,515	-	(141,259,515)	-	2025
2021	85,941,943	(11,836,636)	-	74,105,307	2026
	327,796,841	(11,836,636)	(141,259,515)	174,700,690	

NOLCO incurred in 2021 can be claimed as deduction for the next five consecutive taxable years or until 2026 in accordance with Section 4 of R.A. 11494, *Bayaniban to Recover as One Act*.

Majority of the entities within the Group are subject to the RCIT, which is computed at 25% or 20% of net taxable income as defined under the tax regulations or MCIT, computed at 2% in 2025 and 2024 and 1.5% in 2023 of gross taxable income, whichever is higher. The total of the MCIT paid by certain subsidiaries, which can be applied as deduction from their respective future RCIT payable within three years from the year the MCIT was incurred, are shown below.

Year Incurred	Original Amount	Applied During the Year	Expired During the Year	Remaining Balance	Valid Until
2025	4,075,649	-	-	4,075,649	2028
2024	7,004,541	(4,886,029)	-	2,118,512	2027
2022	203,679	-	(203,679)	-	2025
	11,283,869	(4,886,029)	(203,679)	6,194,161	

Certain subsidiaries within the Group did not recognize deferred tax assets in accordance with the relevant accounting standards. The unrecognized deferred tax assets are broken down as follows:

<i>(Amounts in PHP)</i>	2025	2024
Allowance for impairment	87,864,315	86,840,845
NOLCO	4,780,337	842,074
MCIT	109,101	-
	92,753,753	87,682,919

Management has assessed that for other entities within the Group, the net losses incurred as well as the related NOLCO, can be recovered through their respective future operations.

The Group opted to continue claiming itemized deductions for the years ended December 31, 2025, 2024 and 2023 in computing for its income tax due.

25. RELATED PARTY TRANSACTIONS

The Group's related parties include its parent company, associates, related parties under common ownership, the Company's key management personnel and others as described below and in the succeeding pages.

25.1 Summary of Related Party Transactions

The summary of the Group's transactions with its related parties for the years ended December 31, 2025, 2024 and 2023, and the related outstanding balances as at December 31, 2025 and 2024 is discussed below.

<i>(Amounts in PHP)</i>		Amount of Transaction			Outstanding Balances	
Related Party Category	Notes	2025	2024	2023	2024	[As Restated – see Note 2.1(c)]
					2025	
Parent Company:						
Interest-bearing loans	25.8	2,000,000,000	-	(1,500,000,000)	(128,953,824)	(2,128,953,824)
Dividends paid	25.9	98,995,021	-	102,055,816	-	-
Interest – interest-bearing loans	25.8	(49,560,102)	(134,510,654)	(211,769,729)	(2,040,694)	(644,769)
Availment of advances – net of interest and repayments	25.4	34,097,701	54,769,701	81,923,365	(431,778,201)	(475,235,440)
Interest - advances	25.4	(34,973,525)	(33,722,425)	(9,586,218)	(89,327,725)	(79,968,187)
Lease liabilities	25.2	(148,958,395)	(44,278,557)	(59,572,860)	(196,565,711)	(47,607,316)
Right-of-use assets	25.2	(39,855,795)	(41,356,430)	(59,484,473)	208,220,301	48,280,716
Commission expense	25.5	3,724,937	6,914,179	4,057,829	-	-
Management fee	25.6	13,519,268	8,571,429	8,571,429	-	-

(Amounts in PHP)

<i>(Amounts in PHP)</i>		Amount of Transaction			Outstanding Balances	
Related Party Category	Notes	2025	2024	2023	2025	2024
						[As Restated – see Note 2.1(c)]
Related Parties under Common Ownership:						
Right-of-use assets	25.2	(1,738,620)	-	-	8,693,104	-
Lease liabilities	25.2	(8,929,440)	-	-	(8,929,440)	-
Associates:						
Granting of cash advances – net of collections	25.3	(10,658,641)	-	2,596,246	13,181,303	23,839,944
Other Investees of Shareholders:						
Granting of cash advances – net of collections	25.3	325,403,407	(12,057,082)	(107,686,787)	944,109,566	618,706,159
Availment of advances – net of repayments	25.4	11,660,650	(8,597,935)	77,371,561	(79,119,687)	(90,780,337)
Key Management Personnel – Compensation						
	25.7	38,991,169	37,040,959	35,002,598	48,591,040	89,581,990

Unless otherwise stated, the related receivables and payables from these transactions are short-term, unsecured, noninterest-bearing and are generally settled in cash upon demand. Based on management's assessment, certain advances to related parties were impaired as of December 31, 2025 and 2024 as discussed in Notes 25.3 and 29.2(c).

25.2 Lease of Office Spaces – Company as Lessee

In December 2020, the Group entered into a new lease agreement as lessee with Megaworld covering the Group's office space, and recognized the related right-of-use asset and lease liability in relation to this lease agreement. The lease agreement was renewed in December 2025. The carrying amounts of the right-of-use asset and lease liability as of December 31, 2025 amounted to P114.9 million and P107.3 million, respectively, while the carrying amounts of the right-of-use asset and lease liability as of December 31, 2024 amounted to P16.5 million and P15.2 million, respectively (see Note 13).

In January 2021, the Group entered into another lease agreement as lessee with Megaworld covering the Group's office space, and recognized right-of-use asset and lease liability in relation to this lease agreement. The lease agreement was renewed in December 2025. The carrying amounts of the right-of-use asset and lease liability as of December 31, 2025 amounted to P84.9 million and P79.3 million, respectively, while the carrying amounts of the right-of-use asset and lease liability as of December 31, 2024 amounted to P13.6 million and P12.7 million, respectively (see Note 13).

In February 2022, the Group became a lessee of Megaworld for an office space for five years. The carrying amounts of the right-of-use asset and lease liability as of December 31, 2025 amounted to P7.9 million and P9.3 million, respectively, while the carrying amounts of the right-of-use asset and lease liability as of December 31, 2024 amounted to P15.2 million and P16.9 million, respectively (see Note 13).

In March 2023, Megaworld leased out an office space for a lease period of three years. The carrying amounts of the right-of-use asset and lease liability as of December 31, 2025 amounted to P0.5 million and P0.6 million, respectively, while the carrying amounts of the right-of-use asset and lease liability as of December 31, 2024 amounted to P2.9 million and P2.8 million, respectively (see Note 13).

In July 2025, the Group entered into a new lease with MREIT, Inc. covering the Group's new office space, and recognized the related right-of-use asset and lease liability in relation to this new lease agreement. The carrying amounts of the right-of-use asset and lease liability as of December 31, 2025 amounted to P8.7 million and P8.9 million, respectively (see Note 13).

25.3 Advances to Related Parties – Net

The Group grants advances to its associates and other related parties for working capital purposes. These advances to related parties are unsecured, noninterest-bearing and repayable in cash upon demand.

The balances of these advances, shown as Advances to Related Parties account in the consolidated statements of financial position as at December 31, are presented below.

<i>(Amounts in PHP)</i>	2025	2024 [As restated – see Note 2.1(c)]
Associates	13,181,303	23,839,944
Other investee companies of shareholders	1,017,525,690	692,122,283
Allowance for impairment	(73,416,124)	(73,416,124)
	944,109,566	618,706,159
	957,290,869	642,546,103

A summary of transactions with these related parties are as follows:

<i>(Amounts in PHP)</i>	2025	2024	2023
Associates:			
Balance at beginning of year	23,839,944	23,839,944	21,243,698
Collections	(11,949,070)	-	(21,004)
Cash advances granted	1,290,429	-	2,617,250
Balance at end of year	13,181,303	23,839,944	23,839,944
Other investee companies of shareholders:			
[As restated – see Note 2.1 (c)]			
Balance at beginning of year			
As previously reported	531,961,105	544,018,187	651,704,974
Effect of restatement	86,745,054	86,745,054	86,745,054
As restated	618,706,159	630,763,241	738,450,028
Cash advances granted	347,365,944	37,780,792	55,099,182
Collections	(21,962,537)	(49,837,874)	(162,785,969)
Balance at end of year	944,109,566	618,706,159	630,763,241

As of December 31, 2025 and 2024, management assessed that certain advances to related parties amounting to P73.4 million are not recoverable [see Note 29.2(c)]. Accordingly, this has been provided with allowance for impairment in the prior years. No impairment losses were recognized in 2025, 2024 and 2023.

25.4 Advances from Related Parties

The Group obtains advances from its parent company and other related parties for working capital purposes. These advances are unsecured and are repayable in cash upon demand. Also, except for the advances from Megaworld, these advances are non-interest-bearing.

The balances of these advances, shown as Advances from Related Parties account in the consolidated statements of financial position as at the end of the reporting periods, are presented below.

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Parent company	521,105,926	555,203,627
Other investee companies of shareholders	79,119,687	90,780,337
	<u>600,225,613</u>	<u>645,983,964</u>

A summary of transactions with these related parties are as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Parent Company:			
Balance at beginning of year	555,203,627	609,973,328	691,896,693
Repayments	(69,071,226)	(88,492,126)	(91,509,583)
Interest expense	34,973,525	33,722,425	9,586,218
Balance at end of year	<u>521,105,926</u>	<u>555,203,627</u>	<u>609,973,328</u>
Other investee companies of shareholders			
Balance at beginning of year	90,780,337	82,182,400	159,553,961
Repayments	(17,310,059)	(16,810,279)	(94,929,726)
Cash advances obtained	5,649,409	25,408,216	17,558,165
Balance at end of year	<u>79,119,687</u>	<u>90,780,337</u>	<u>82,182,400</u>

The advances from Megaworld bear annual interest of 6.0%. The interest expense incurred in 2025, 2024 and 2023 are presented as part of Finance costs under the Finance Costs and Other Charges account in the consolidated statements of comprehensive income (see Note 20.2).

The related unpaid interest of the advances from Megaworld amounting to P89.3 million and P80.0 million as at December 31, 2025 and 2024, respectively is included as part of Advances from Related Parties account in the consolidated statements of financial position.

25.5 Commissions

In the normal course of business, the Group pays commissions to Megaworld for marketing services rendered by the latter with the purpose of increasing sales from on-going projects. The commissions are based on pre-agreed rates and are payable once a certain percentage of the contract price has been collected. Commissions incurred in 2025, 2024 and 2023 are presented as part of Commissions under Other Operating Expenses in the consolidated statements of comprehensive income (see Note 21). There was no outstanding balance from this transaction as of December 31, 2025 and 2024.

25.6 Management Fee

The Group obtains services from the parent company for a fixed consideration. The amount of expenses incurred from such transaction is recorded as part of Miscellaneous under Other Operating Expenses account in the 2025, 2024 and 2023 consolidated statements of comprehensive income (see Note 21). There was no outstanding balance from this transaction as of December 31, 2025 and 2024.

25.7 Key Management Personnel Compensation

The Group's key management personnel compensation includes the following:

<i>(Amounts in PHP)</i>	<u>Note</u>	<u>2025</u>	<u>2024</u>	<u>2023</u>
Short-term benefits		32,514,697	30,660,049	28,837,531
Post-employment defined benefit	23.1	6,476,472	<u>6,380,910</u>	<u>6,165,067</u>
		<u>38,991,169</u>	<u>37,040,959</u>	<u>35,002,598</u>

The Group also has short-term, unsecured and non-interest-bearing outstanding advances to key management personnel amounting to P48.6 million and P89.6 million as of December 31, 2025 and 2024, respectively, which are presented as part of Advances to officers and employees under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 6). These are settled through salary deduction or liquidation.

25.8 Interest-Bearing Loans

The Company and TLC obtained unsecured, interest-bearing loans from Megaworld for working capital requirements in 2022. These loans bear a fixed interest rate of 6.33% and shall be payable in cash for a maximum term of 16 months. The outstanding balance of the loan amounted to P129.0 million and P2,129.0 million as of December 31, 2025 and 2024, respectively, and is presented as part of Interest-bearing Loans account in the consolidated statements of financial position (see Note 15). The interest payable as of December 31, 2025 and 2024 is P2.0 million and P0.6 million, respectively, and is presented as part of Trade and Other Payable in the consolidated statements of financial position. The related interest from these loans is presented as part of Finance Costs and Other Charges in the consolidated statements of comprehensive income (see Note 20.2).

25.9 Dividends Paid to the Parent Company

The Parent Company received dividends from the Company amounting to P99.0 million and P102.1 million in 2025 and 2023, respectively. The Parent Company did not receive dividends from the Company in 2024. Consequently, there were no outstanding liabilities relating to this transaction (see Note 26.2).

25.10 Employee Stock Option Plan (ESOP)

Under the ESOP, the Company shall initially reserve for exercise of share options up to 500.0 million common shares of the Company's outstanding shares to be issued, in whole or in part, out of the authorized but unissued shares. Share options may be granted within 10 years from the adoption of the ESOP and may be exercised within seven years from date of grant (see Note 26.3).

26. EQUITY

26.1 Capital Stock

Capital stock as of December 31, 2025 and 2024 consists of:

	<u>Shares</u>	<u>Amounts in PHP</u>
Common shares – P1.00 par value		
Authorized	<u>20,000,000,000</u>	<u>20,000,000,000</u>
Issued and outstanding		
Balance at beginning and end of year	<u>10,986,000,000</u>	<u>10,986,000,000</u>

On November 23, 1995, the SEC approved the listing of the Company's common shares totalling 150.0 million. The shares were initially issued at an offer price of P19.50 per common share. As at December 31, 2025 and 2024, there are 4,116 and 4,144 holders of the listed shares, respectively, which closed at P0.69 per share and P0.64 per share, respectively.

The Company also made additional listings of 5.0 billion and 2.5 billion shares with offer prices at P1.00 per share and P2.26 per share on January 27, 2012, and August 14, 2013, respectively.

26.2 Cash Dividends

On June 19, 2025, the BOD approved the declaration and distribution of cash dividends of the Parent Company amounting to P120.0 million to all shareholders of record as of July 18, 2025 paid on August 13, 2025.

On June 30, 2023, the BOD approved the declaration and distribution of cash dividends of the Parent Company amounting to P124.1 million to all shareholders of record as of July 28, 2023 paid on August 23, 2023.

There was no similar transaction in 2024.

26.3 ESOP

On September 23, 2011, the Company's BOD approved an ESOP for its key executive officers. This was approved on November 8, 2011 by shareholders holding at least two-thirds of the outstanding capital stock. The purpose of the ESOP is to enable the key executives and senior officers of the Company, who are largely responsible for its further growth and development, to obtain an ownership interest in the Company, thereby encouraging long-term commitment to the Company. The ESOP is being administered by the Executive Compensation Committee of the BOD.

Under the ESOP, the Company shall initially reserve for exercise of stock options up to 500.0 million common shares of the Company's outstanding shares to be issued, in whole or in part, out of the authorized but unissued shares. Stock options may be granted within 10 years from the adoption of the ESOP and may be exercised within seven years from date of grant. The exercise price shall be at a 15% discount from the volume weighted average closing price of the Company's shares for twelve months immediately preceding the date of grant. The options shall vest within three years from date of grant and the holder of an option may exercise only a third of the option at the end of each year of the three-year period. The Company shall receive cash for the stock options.

As of December 31, 2023, pursuant to this ESOP, GERI has granted the option to its key company executives to subscribe to 400.0 million shares of GERI. An option holder may exercise in whole or in part his vested option provided, that, an option exercisable but not actually exercised within a given year shall accrue and may be exercised at any time thereafter but prior to the expiration of said option's life cycle. All 400.0 million options were fully vested as of December 31, 2019, but none of these have been exercised yet by any of the option holders as at the end of the reporting periods. As at December 31, 2025 and 2024, there are no remaining share options that can be exercised.

The fair value of the option granted was estimated using a variation of the Black-Scholes valuation model that takes into account factors specific to the ESOP. The principal assumptions used in the valuation are shown below.

Grant dates	:	February 16, 2012, February 18, 2013 March 7, 2014, March 9, 2015, July 14, 2016
Vesting period ends	:	February 15, 2015, February 17, 2016. March 6, 2017, February 16, 2018 July 13, 2019
Option life	:	Seven years
Share price at grant dates	:	P2.10, P2.09, P1.60, P1.63, P1.02
Exercise price at grant dates	:	P1.93, P1.69, P1.50, P1.65, P1.00
Average fair value at grant dates	:	P2.27, P0.74, P0.42, P0.34, P0.24
Average standard deviation of share price returns	:	57.10%, 20.85%, 16.16%, 12.16%, 15.29%
Average risk-free investment rates	:	2.46%, 2.14%, 2.46%, 2.51%, 2.59%

The underlying expected volatility was determined by reference to historical date of the Company's shares over a period of time consistent with the option life.

27. EARNINGS PER SHARE

Earnings per share amounts were computed as follows:

<i>(Amounts in PHP)</i>	2025	2024	2023
Basic:			
Net profit attributable to Company's shareholders	1,924,530,701	1,780,517,595	1,840,185,198
Divided by weighted number of outstanding common shares	<u>10,986,000,000</u>	<u>10,986,000,000</u>	<u>10,986,000,000</u>
	<u>0.175</u>	<u>0.162</u>	<u>0.168</u>
Diluted:			
Net profit attributable to Company's shareholders	1,924,530,701	1,780,517,595	1,840,185,198
Divided by weighted number of outstanding common shares	<u>10,986,000,000</u>	<u>10,986,000,000</u>	<u>11,008,602,740</u>
	<u>0.175</u>	<u>0.162</u>	<u>0.167</u>

In relation to the approved ESOP for key executive officers, the remaining vested options exercisable by any of the option holders were considered as potentially dilutive shares in 2023. However, these are not exercisable any longer as at the end of the reporting periods 2024 and 2025.

28. COMMITMENTS AND CONTINGENCIES

28.1 Lease Commitments – Group as Lessor

The Group is a lessor under several operating leases covering real estate properties for commercial use (see Note 11). The leases have terms ranging from 1 to 25 years, with renewal options, and include annual escalation rates of 5.00% to 10.00%. The average annual rental covering these agreements amounts to P341.5 million.

Future minimum lease payments receivable under these operating lease agreements are as follows:

<i>(Amounts in PHP)</i>	2025	2024	2023
Within one year	597,534,116	522,686,505	462,604,668
After one year but not more than two years	446,425,207	392,408,845	392,376,722
After two years but not more than three years	356,048,590	256,436,440	309,716,349
After three years but not more than four years	310,400,273	206,914,087	220,796,848
After four years but not more than five years	286,672,211	238,040,701	215,947,562
More than five years	1,521,942,825	1,721,953,026	1,753,519,332
	3,519,023,222	3,338,439,604	3,354,961,481

The undiscounted maturity analysis of finance lease receivable is as follows:

<i>(Amounts in PHP)</i>	Within 1 year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	More than 5 years	Total
December 31, 2025							
Lease collection	26,281,500	24,301,659	25,030,708	25,781,630	26,555,079	577,481,072	705,431,648
Interest income	(24,407,402)	(24,373,209)	(24,352,433)	(24,269,834)	(24,118,575)	(271,668,712)	(393,190,165)
Net present value	1,874,098	(71,550)	678,275	1,511,796	2,436,504	305,812,360	312,241,483
December 31, 2024							
Lease collection	27,514,054	26,281,499	24,301,659	25,030,708	25,781,630	604,036,152	732,945,702
Interest income	(24,641,019)	(24,407,402)	(24,373,209)	(24,352,433)	(24,269,834)	(295,787,287)	(417,831,184)
Net present value	2,873,035	1,874,097	(71,550)	678,275	1,511,796	308,248,865	315,114,518

28.2 Others

The Company has unused long-term credit facilities amounting to P1,000.0 million, as of 2024 (nil in 2025). There are other commitments and contingent liabilities that may arise in the normal course of the Group's operations that are not reflected in the consolidated financial statements. As of the end of the reporting period, management is of the opinion that losses, if any, from these items will not have a material effect on the Group's consolidated financial statements.

29. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks in relation to financial instruments. The Group's financial assets and financial liabilities by category are summarized in Note 30.1. The main types of risks are market risk, credit risk and liquidity risk.

The Group does not actively engage in the trading of financial assets for speculative purposes. The most significant financial risks to which the Group is exposed to are below and described below and in the succeeding pages.

29.1 *Market Risk*

(a) *Foreign Currency Risk*

Most of the Group's transactions are carried out in Philippine pesos, its functional currency. Exposures to currency exchange rates arise mainly from the Group's United States (U.S.) dollar-denominated cash and cash equivalents.

To mitigate the Group's exposure to foreign currency risk, non-Philippine peso cash flows are monitored.

U.S. dollar denominated financial assets, translated into Philippine pesos at the closing rates at end of 2025 and 2024, pertain to cash and cash equivalents amounting to P90.7 million and P130.8 million, respectively. The Group has no U.S. dollar denominated financial liabilities in 2025 and 2024.

If the Philippine peso had strengthened against the U.S. dollar, profit before tax would have decreased by P5.4 million and P6.8 million in 2025 and 2024, respectively. If the Philippine peso had weakened against the U.S. dollar, then this would have increased profit before tax in 2025 and 2024 by the same amount. This sensitivity of the net result for the year assumes a +/-5.97% and +/-5.22% change of the Philippine peso/U.S. dollar exchange rate for the years ended December 31, 2025 and 2024, respectively. These percentages have been determined based on the average market volatility in exchange rates, using standard deviation, in the previous 12 months for 2025 and 2024 estimated at 68% level of confidence. The sensitivity analysis is based on the Group's foreign currency financial instruments held at the end of the reporting period.

Exposures to foreign exchange rates vary during the year depending on the volume of transactions. Nonetheless, the analysis above is considered to be representative of the Group's foreign currency risk.

(b) *Interest Rate Risk*

At December 31, 2025 and 2024, the Group is exposed to changes in market interest rates through its cash and cash equivalents and long-term interest-bearing loans, which are subject to variable interest rates (see Notes 5 and 15). All other financial assets and liabilities have fixed rates.

The sensitivity of the Group's profit before tax is analyzed based on reasonably possible change for the year to a reasonably possible change in interest rate of +/-2.85% in 2025 and +/-2.30% in 2024. These changes are considered to be reasonably possible based on observation of current market conditions. The percentage changes in rates have been determined based on the average market volatility in interest rates, using standard deviation, in the previous 12 months at a 99% confidence level. The sensitivity analysis is based on the Group's financial instruments held at the end of each reporting period, with effect estimated from the beginning of the year. All other variables held constant, if the interest rate increased by 2.85% in 2025 and 2.30% in 2024, profit before tax would have increased by P323.6 million and P216.3 million in 2025 and 2024, respectively. Conversely, if the interest rate decreased by the same percentages, profit before tax in 2025 and 2024 would have been higher by the same amount.

29.2 Credit Risk

Credit risk is the risk when a counterparty fails to discharge an obligation to the Group. The Group is exposed to this risk for various financial instruments, arising from granting loans and receivables to customers and related parties and by placing deposits.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporate this information into its credit risk controls. Where available at reasonable cost, external ratings and/or reports on customers and other counterparties are obtained and used. The Group's policy is to deal only with creditworthy counterparties.

The maximum credit risk exposure of financial assets and contract assets is the carrying amount of the related assets as shown in the consolidated statements of financial position, as summarized below.

(Amounts in PHP)	Notes	2024	
		2025	[As restated – see Note 2.1(c)]
Cash and cash equivalents	5	2,268,417,517	2,294,241,764
Trade receivables	6	14,050,915,739	13,186,010,505
Finance lease receivable	6	312,241,483	315,114,518
Rent receivables	6	581,729,251	449,212,826
Other receivables	6	394,919,628	377,173,916
Contract assets	19.2	3,932,708,745	4,999,964,923
Advances to real estate property owners	9	1,135,472,450	1,369,425,104
Advances to related parties	25.3	1,030,706,993	715,962,227
Refundable deposits	14	87,537,011	89,458,764
		23,794,648,817	23,796,564,547

(a) Cash and Cash Equivalents

The credit risk for cash is considered negligible since the counterparties are reputable banks with high quality external credit ratings.

As part of Group policy, bank deposits are only maintained with reputable financial institutions. Cash in banks are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P1.0 million for every depositor per banking institution.

The Group 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 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 for impairment will be based on the lifetime ECL. The Group uses the ratings from Standard and Poor's to determine whether the debt instrument has significantly increased in credit risk and to estimate ECL.

As of December 31, 2025 and 2024, impairment allowance is not material.

(b) *Trade and Other Receivables and Contract Assets*

Credit risk of receivables and contract assets from sale of real estate properties is managed primarily through credit reviews and analyses of receivables on a regular basis. The Group undertakes credit review procedures for all installment payment terms. Customer payments are facilitated through the use of post-dated checks. Exposure to doubtful accounts is not substantial as title to real estate properties are not transferred to the buyers until full payment of the amortization has been made and the requirement for remedial procedures is negligible considering the Group's buyers' profile.

The Group has used the simplified approach in measuring ECL and has calculated ECL based on lifetime ECL. Therefore, the Group does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date. The Group has established a provision matrix that is based on historical credit loss experience, adjusted for forward-looking information specific to the buyers and the economic environment.

The Group considers trade receivables in default when contractual payment are 90 days past due, except for certain circumstances when the reason for being past due is due to reconciliation with customers of payment records which are administrative in nature and may extend the definition of default to beyond 90 days. Furthermore, 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.

The provision rate is based on days past due of all customers as they have similar loss patterns. The credit enhancements such as advance payment and value of the real estate for sale are considered in the calculation of impairment as recoveries.

The management determined that there is no required ECL to be recognized since the real estate sold is collateralized to the related receivable arising from sale. Therefore, there is no expected loss given default as the recoverable amount from subsequent resale of the real estate is sufficient.

Other components of receivables such as rental receivables are also evaluated by the Group for impairment and assessed that certain rental receivables were no longer collectible as of December 31, 2025 and 2024. Accordingly, the related impairment loss amounting to P6.0 million and P98.3 million in 2025 and 2024, respectively, was recognized (see Notes 6 and 21). There was no similar assessment for 2023. Rental receivables are secured to the extent of advance rental and rental deposit received from the lessees, which are in average equivalent to six months.

The estimated fair value of collateral and other security enhancements held against instalment contract receivables, contract assets and rent receivables are presented below:

<i>(Amounts in PHP)</i>	Gross Maximum Exposure	Fair Value of Collaterals	Net Exposure
December 31, 2025			
Instalment contract receivables - net	14,050,915,739	21,482,275,184	-
Contract assets	3,932,708,745	7,903,910,393	-
Rent receivables	581,729,251	213,857,787	367,871,464
	<u>18,565,353,735</u>	<u>29,600,043,364</u>	<u>367,871,464</u>
December 31, 2024			
Instalment contract receivables - net	13,186,010,505	22,753,428,635	-
Contract assets	4,999,964,923	8,691,212,671	-
Rent receivables	449,212,826	317,835,793	131,377,033
	<u>18,635,188,254</u>	<u>31,762,477,099</u>	<u>131,377,033</u>

Some of the unimpaired trade and other receivables, which are mostly related to real estate sales, are past due as at the end of the reporting period and are presented below.

<i>(Amounts in PHP)</i>	2025	2024
Current (not past due)	12,116,253,516	11,543,112,713
Past due but not impaired:		
More than one month but not more than three months	311,956,227	331,278,641
More than three months but not more than six months	194,128,199	232,295,172
More than six months but not more than one year	853,439,088	401,477,326
More than one year	<u>707,850,320</u>	<u>530,231,173</u>
	<u>14,183,627,350</u>	<u>13,038,395,025</u>

(c) *Advances to Related Parties, Advances to Real Estate Property Owners and Refundable Deposits*

ECL for advances to related parties are measured and recognized using the liquidity approach. Management determines possible impairment based on the related party's ability to repay the advances upon demand at the reporting date taking into consideration the historical defaults from the counterparties. Management assessed that the outstanding receivables from certain related parties as of December 31, 2025 and 2024 are not recoverable since these related parties have no capacity to pay the advances upon demand; hence, fully provided with allowance. No additional impairment loss was recognized in 2025, 2024 and 2023 (see Note 25.3).

The Group does not consider any significant risks in the remaining advances to related parties since Megaworld and other related parties, whose credit risks for liquid funds are considered negligible, have committed to financially support these related parties as part of AGP's long-term corporate strategy.

In addition, there is also no significant risks in the advances to real estate property owners as these are advances to joint venturers in the Group's certain real estate projects which are set-off against the joint venturers' share in the collections of receivables pertaining to such projects. As of December 31, 2025 and 2024, impairment allowance is not material.

With respect to refundable deposits, management assessed that these financial assets have low probability of default since these relate to reputable companies (i.e., with high quality external credit ratings).

29.3 Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week, as well as on the basis of a rolling 30-day projection. Long-term needs for a six-month and one-year period are identified monthly.

The Group maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash is invested in time deposits or short-term marketable securities. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

As of end of the reporting periods, the Group's financial liabilities have contractual maturities which are presented below.

(Amounts in PHP)

(Amounts in PHP)

		Current		Non-current	
	Notes	Within 6 months	6 to 12 Months	1 to 5 Years	Later than 5 years
December 31, 2025					
Interest-bearing loans	15	1,169,843,697	1,440,720,747	6,389,052,611	1,591,431,726
Trade and other payables	16	862,904,543	3,986,324,375	-	-
Advances from related parties	25.4	600,225,613	-	-	-
Due to joint venture partners	17	-	476,974,248	-	-
Lease liabilities	13	47,837,062	47,837,062	338,539,919	683,978,303
Security deposits	16, 18	130,854,392	-	-	54,561,467
Retention payable	16, 18	-	260,523,551	-	583,630,415
		2,811,665,307	6,212,379,983	6,727,592,530	2,913,601,911
December 31, 2024					
Interest-bearing loans	15	948,606,497	1,108,008,215	7,890,001,611	-
Trade and other payables	16	722,979,410	3,958,986,753	-	-
Advances from related parties	25.4	645,983,964	-	-	-
Due to joint venture partners	17	-	491,051,555	-	-
Lease liabilities	13	40,308,551	40,308,551	154,283,385	722,295,135
Security deposits	16, 18	137,621,162	-	-	30,874,963
Retention payable	16, 18	-	292,362,430	-	530,235,561
		2,495,499,584	5,890,717,504	8,044,284,996	1,283,405,659

The above contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the reporting dates.

30. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

30.1 Carrying Amounts and Fair Values of Financial Assets and Financial Liabilities

The carrying amounts and fair values of the categories of financial assets presented in the consolidated statements of financial position are shown below.

(Amounts in PHP)	Notes	2025		2024 [As restated – see Note 2.1(c)]	
		Carrying Values	Fair Values	Carrying Values	Fair Values
Financial assets					
At amortized cost:					
Cash and cash equivalents	5	2,268,417,517	2,268,417,517	2,294,241,764	2,294,241,764
Trade and other receivables – net	6	14,695,074,424	19,918,723,471	13,688,828,654	18,088,986,708
Advances to real estate property owners	9	1,135,472,450	1,135,472,450	1,369,425,104	1,369,425,104
Advances to related parties – net	25.3	957,290,869	957,290,869	642,546,103	642,546,103
Refundable deposits	14	87,537,011	87,537,011	89,458,764	89,458,764
		19,143,792,271	24,367,441,318	18,084,500,389	22,484,658,443
Financial liabilities					
At amortized cost:					
Interest-bearing loans	15	9,588,326,551	10,591,048,781	9,512,119,109	10,679,126,693
Trade and other payables	16	4,849,228,918	4,849,228,918	4,681,966,163	4,681,966,163
Advances from related parties	25.4	600,225,613	600,225,613	645,983,964	645,983,964
Due to joint venture partners	17	476,974,248	476,974,248	491,051,555	491,051,555
Retention payable	16, 18	844,153,966	844,153,966	822,597,991	822,597,991
Security deposits	16, 18	185,415,859	185,415,859	168,496,125	168,496,125
Lease liabilities	13	620,802,869	620,802,869	465,796,288	465,796,288
		17,165,128,024	18,167,850,254	16,788,011,195	17,955,018,779

See Note 2.4 for a description of the accounting policies for each category of financial instruments. A description of the Group's risk management objectives and policies for financial instruments is provided in Note 29.

30.2 Offsetting of Financial Assets and Financial Liabilities

Except as disclosed in Note 6, the Group has not set off any other financial instruments in 2025 and 2024 and does not have relevant offsetting arrangements. Currently, financial assets and financial liabilities are settled on a gross basis; however, each party to the financial instrument (particularly related parties) will have the option to settle all such amounts on a net basis in the event of default of the other party through approval by both parties' BOD and shareholders or upon instruction by the Group. As such, the Group's outstanding advances to related parties amounting to P957.3 million and P642.5 million can be offset by the amount of outstanding advances from related parties amounting to P600.2 million and P646.0 million as at December 31, 2025 and 2024, respectively (see Note 25).

The Group has cash in certain local banks to which it has outstanding loans (see Note 15). In case of the Group's default on loan amortization, cash in banks amounting to P2,001.1 million and P2,187.7 million can be applied against its outstanding loans from banks amounting to P9,459.4 million and P7,383.2 million as of December 31, 2025 and 2024, respectively (see Notes 5 and 15).

In addition, the Company's finance lease receivable amounting to P312.2 million and P315.1 million as at December 31, 2025 and 2024, respectively, can also be offset by the same outstanding amount of the related lease liability (see Note 6).

31. FAIR VALUE MEASUREMENT AND DISCLOSURES

31.1 Fair Value Hierarchy

In accordance with PFRS 13, *Fair Value Measurement*, the fair value of financial assets and financial liabilities and non-financial assets which are measured at fair value on a recurring or non-recurring basis and those assets and liabilities not measured at fair value but for which fair value is disclosed in accordance with other relevant PFRS Accounting Standards, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy has the following levels shown below.

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

The level within which the financial asset or liability is classified is determined based on the lowest level of significant input to the fair value measurement.

For purposes of determining the market value at Level 1, a market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

31.2 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

The table below and in the succeeding page summarizes the fair value hierarchy of the Group's financial assets and financial liabilities which are not measured at fair value in the 2025 and 2024 consolidated statements of financial position but for which fair value is disclosed.

<i>(Amounts in PHP)</i>	Level 1	Level 2	Level 3	Total
2025				
Financial Assets:				
Cash and cash equivalents	2,268,417,517	-	-	2,268,417,517
Trade and other receivables - net	-	-	19,918,723,471	19,918,723,471
Advances to real estate property owners	-	-	1,135,472,450	1,135,472,450
Advances to related parties - net	-	-	957,290,869	957,290,869
Refundable deposits	-	-	87,537,011	87,537,011
	2,268,417,517	-	22,099,023,801	24,367,441,318
Financial Liabilities:				
Interest-bearing loans	-	-	10,591,048,781	10,591,048,781
Trade and other payables	-	-	4,849,228,918	4,849,228,918
Advances from related parties	-	-	600,225,613	600,225,613
Due to joint venture partners	-	-	476,974,248	476,974,248
Lease liabilities	-	-	620,802,869	620,802,869
Security deposits	-	-	185,415,859	185,415,859
Retention payable	-	-	844,153,966	844,153,966
	-	-	18,167,850,254	18,167,850,254

<i>(Amounts in PHP)</i>	Level 1	Level 2	Level 3	Total
<u>2024 [As restated – see Note 2.1(c)]</u>				
<i>Financial Assets:</i>				
Cash and cash equivalents	2,294,241,764	-	-	2,294,241,764
Trade and other receivables - net	-	-	18,088,986,708	18,088,986,708
Advances to real estate property owners	-	-	1,369,425,104	1,369,425,104
Advances to related parties - net	-	-	642,546,103	642,546,103
Refundable deposits	-	-	89,458,764	89,458,764
	<u>2,294,241,764</u>	<u>-</u>	<u>20,190,416,679</u>	<u>22,484,658,443</u>
<i>Financial Liabilities:</i>				
Interest-bearing loans	-	-	10,679,126,693	10,679,126,693
Trade and other payables	-	-	4,681,966,163	4,681,966,163
Advances from related parties	-	-	645,983,964	645,983,964
Due to joint venture partners	-	-	491,051,555	491,051,555
Lease liabilities	-	-	465,796,288	465,796,288
Security deposits	-	-	168,496,125	168,496,125
Retention payable	-	-	822,597,991	822,597,991
	<u>-</u>	<u>-</u>	<u>17,955,018,779</u>	<u>17,955,018,779</u>

For financial assets with fair values included in Level 1, management considers that the carrying amounts of those short-term financial instruments approximate their fair values due to their short-term duration.

The fair values of the financial assets and financial liabilities included in Level 3, which are not traded in an active market is determined based on the expected cash flows of the underlying net asset or liability based on the instrument where the significant inputs required to determine the fair value of such instruments are not based on observable market data. For those with short term duration, the carrying amount approximates the fair value.

31.3 Investment Properties Measured at Cost for Which Fair Value is Disclosed

In estimating the fair value of these properties, management takes into account the market participant's ability to generate economic benefits by using the assets in their highest and best use. Based on management assessment, the best use of the Group's investment properties is its current use.

The fair value of the investment properties was determined based on the following approaches (see Note 11):

(i) Fair Value Measurement for Land and Land Development and Improvements

The Level 3 fair value of land and land developments and improvements amounted to P30,250.2 million and P31,697.9 million as at December 31, 2025 and 2024, and was derived through appraisals by SEC-accredited independent valuation specialists using market-based valuation approach where prices of comparable properties are adequate for specific market factors such as location and condition of the property.

(ii) *Fair Value Measurement for Building and Improvements*

The fair value of the Group's building and improvements, which are classified under Level 3 of the fair value hierarchy, amounted to P12,374.3 million and P15,476.2 million, as at December 31, 2025 and 2024, respectively, and is determined by calculating the present value of the cash inflows anticipated until the end of the life of the investment properties using a discount rate of 7.80% in 2025 and 2024. The expected cash flows are based on the best use of the property, which is to earn rentals over its estimated useful life.

(iii) *Fair Value Measurement of Construction in Progress*

The Level 3 fair value of the construction in progress was determined using the cost approach that reflects the cost to a market participant to construct an asset of comparable usage, construction standards, design and layout, adjusted for obsolescence. The more significant inputs used in the valuation include direct and indirect costs of construction such as but not limited to, labor and contractor's architectural and engineering fees, insurance and legal fees. These inputs were derived from various suppliers and contractor's quotes, price catalogues, and construction price indices. Under this approach, higher estimated cost used in the valuation will result in higher fair value of the properties. Management assessed that the fair value of the construction in progress approximates its carrying values.

Also, there were no transfers into or out of Level 3 fair value hierarchy in 2025 and 2024.

32. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders.

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt. The Group also monitors its debt coverage ratio (DCR) and current ratio as required by its loan obligations (see Note 15). The Group has complied with its covenant obligations, including maintaining the required DSCR and current ratio.

The Group monitors capital on the basis of the carrying amount of equity as presented on the face of the consolidated statements of financial position. Capital for the reporting periods under review is summarized as follows:

<i>(Amounts in PHP)</i>	<u>2025</u>	<u>2024</u>
Total liabilities	21,915,924,548	22,144,409,853
Total equity	42,750,360,867	40,705,695,669
Debt-to-equity ratio	<u>0.51 : 1.00</u>	<u>0.54 : 1.00</u>

33. SUPPLEMENTAL INFORMATION ON CONSOLIDATED STATEMENTS OF CASH FLOWS

33.1 Reconciliation of Liabilities Arising from Financing Activities

The reconciliation of liabilities arising from financing activities in 2025, 2024 and 2023 is presented below. The details of net cash flows are presented in the consolidated statements of cash flows.

(Amounts in PHP)

	Interest-bearing Loans (see Note 15)	Advances from Related Parties (see Note 25.4)	Lease Liabilities (see Note 13.2)	Total
Balance as of January 1, 2025	9,512,119,109	645,983,964	465,796,288	10,623,899,361
Cash flows from financing activities:				
Additional borrowings	4,000,000,000	5,649,409	-	4,005,649,409
Repayments of borrowings	(3,923,792,558)	(86,381,285)	(67,894,465)	(4,078,068,308)
Non-cash financing activities:				
Additional lease liabilities	-	-	215,967,672	215,967,672
Interest amortization on lease liabilities	-	-	34,447,428	34,447,428
Interest expense from advances from related parties	-	34,973,525	-	34,973,525
Offsetting	-	-	(27,514,054)	(27,514,054)
Balance as of December 31, 2025	9,588,326,551	600,225,613	620,802,869	10,809,355,033
Balance as of January 1, 2024	9,494,069,589	692,155,728	517,740,465	10,703,965,782
Cash flows from financing activities:				
Additional borrowings	1,500,000,000	25,408,216	-	1,525,408,216
Repayments of borrowings	(1,481,950,480)	(105,302,405)	(63,751,311)	(1,651,004,196)
Non-cash financing activities:				
Interest amortization on lease liabilities	-	-	38,654,005	38,654,005
Offsetting	-	-	(26,846,871)	(26,846,871)
Interest expense from advances from related parties	-	33,722,425	-	33,722,425
Balance as of December 31, 2024	9,512,119,109	645,983,964	465,796,288	10,623,899,361
Balance as of January 1, 2023	7,605,669,500	851,450,654	554,996,657	9,012,116,811
Cash flows from financing activities:				
Additional borrowings	5,000,000,000	17,558,165	-	5,017,558,165
Repayments of borrowings	(3,111,599,911)	(186,439,309)	(62,506,760)	(3,360,545,980)
Non-cash financing activities:				
Interest amortization on lease liabilities	-	-	42,506,555	42,506,555
Offsetting	-	-	(26,199,118)	(26,199,118)
Interest expense from advances from related parties	-	9,586,218	-	9,586,218
Additional lease liabilities	-	-	9,922,379	9,922,379
Derecognition	-	-	(979,248)	(979,248)
Balance as of December 31, 2023	9,494,069,589	692,155,728	517,740,465	10,703,965,782

33.2 Non-cash Investing and Financing Activities

The following discusses the supplemental information on non-cash investing and financing activities as presented in the consolidated statements of cash flows for the years ended December 31, 2025, 2024 and 2023:

- In the normal course of business, the Group enters into non-cash transactions such as exchanges or purchases on account of real estate and other assets, and reclassifications of inventories, property and equipment, and investment properties. These non-cash activities are not reflected in the consolidated statements of cash flows (see Notes 7, 11 and 12).
- The Group has effected the offsetting of payments made directly by the sublessee of the Group to the head lessor in relation to its finance lease transaction (see Notes 6 and 13).
- In 2023, the Company pre-terminated one of its lease contracts which resulted to the derecognition of the right-of-use asset and lease liability and a gain on pre-termination amounting to P0.5 million presented as part of Gain on derecognition of payables under Finance and Other Income in the 2023 consolidated statement of comprehensive income (see Notes 13 and 20.1). There were no similar transactions in 2025 and 2024.
- In 2025, the Group recognized right-of-use assets and lease liabilities amounting to P216.0 million. In 2023, the Group recognized right-of-use assets and lease liabilities amounting to P9.9 million (see Notes 13). There was no similar transaction in 2024.

Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Consolidated Financial Statements

Punongbayan & Araullo
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6766 Ayala Avenue
1200 Makati City
Philippines

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The Board of Directors and Stockholders
Global-Estate Resorts, Inc. and Subsidiaries
(A Subsidiary of Megaworld Corporation)
9/F Eastwood Global Plaza
Palm Tree Avenue, Eastwood City
Bagumbayan, Quezon City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Global-Estate Resorts, Inc. and Subsidiaries (the Group) for the year ended December 31, 2025, on which we have rendered our report dated March 16, 2026. Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The applicable supplementary information (see List of Supplementary Information) is presented for purposes of additional analysis in compliance with the requirements of the Revised Securities Regulation Code Rule 68 and is not a required part of the basic consolidated financial statements prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). Such supplementary information is the responsibility of the Group's management. The supplementary information has been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic consolidated financial statements taken as a whole.

PUNONGBAYAN & ARAULLO



By: Edcel U. Costales
Partner

CPA Reg. No. 0134633
TIN 274-543-395
PTR No. 10770757, January 6, 2026, Makati City
SEC Group A Accreditation
Partner - No. 134633-SEC (until financial period 2026)
Firm - No. 0002 (until financial period 2030)
BIR AN 08-002551-045-2025 (until November 11, 2028)
BOA/PRC Cert. of Reg. No. 0002/P-017 (until August 12, 2027)

March 16, 2026

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
INDEX TO FINANCIAL STATEMENTS AND SUPPLEMENTARY SCHEDULES
DECEMBER 31, 2025

Report of Independent Auditors on Supplementary Schedules Filed Separately
from the Basic Financial Statements

- (1) Supplementary Schedules to Financial Statements
(Annex 68-J, SRC Rule 68)

Schedule

A	Financial Assets	na
B	Amounts Receivable from Directors, Officers, Employees, Related Parties and Principal Stockholders (Other than Related Parties)	1
C	Amounts Receivable from Related Parties which are Eliminated during the Consolidation of Financial Statements	2
D	Long-Term Debt	3
E	Indebtedness to Related Parties	4
F	Guarantees of Securities of Other Issuers	na
G	Capital Stock	5

- (2) Reconciliation of Retained Earnings Available for Dividend Declaration

- (3) Map Showing the Relationship Between and Among Related Parties

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES

(A Subsidiary of Megaworld Corporation)

SCHEDULE B. - AMOUNTS RECEIVABLE FROM DIRECTORS, OFFICERS, EMPLOYEES, RELATED PARTIES AND PRINCIPAL STOCKHOLDERS (OTHER THAN RELATED PARTIES)

DECEMBER 31, 2025

(Amounts in Philippine Pesos)

Name and Designation of Debtor	Balance at Beginning of Year	Additions	Deductions		Ending Balance		Balance at End of Year	
			Amounts Collected	Amounts Written-off	Current	Not Current		
<i>Amounts Due from Related Parties</i>								
FERSAI	P 7,790,937	P -	P -	P -	P 7,790,937	P -	P 7,790,937	
FESI	2,068,038	1,290,429	-	-	3,358,467	-	3,358,467	
BNHGI	3,141,747	-	-	-	3,141,747	-	3,141,747	
FERC	1,259,699	-	-	-	1,259,699	-	1,259,699	
NPI	12,721,270	-	11,949,070	-	772,200	-	772,200	
Other related parties	615,564,412	347,365,944	21,962,537	-	940,967,819	-	940,967,819	
TOTAL	P 642,546,103	P 348,656,373	P 33,911,607	P -	P 957,290,869	P -	P 957,290,869	
<i>Advances to Officers and Employees</i>								
Quintana, Allan	P 2,461,885	P -	P 1,074,024	P -	P 1,387,861	P -	P 1,387,861	
Haguisan, Hennie	10,387	618,702	-	-	629,089	-	629,089	
Binag Macaraig, Melody	506,112	54,702	-	-	560,814	-	560,814	
Bravo, Melissa Anne	231,197	30,191	-	-	261,388	-	261,388	
Herrera, Christopher	482,405	-	277,793	-	204,612	-	204,612	
Lim, Meliza Anne	152,202	-	91,885	-	60,317	-	60,317	
Carbon, Thomas George M.	106,026	-	73,772	-	32,254	-	32,254	
Luzung, Fred	20,000	-	-	-	20,000	-	20,000	
David, Chatt S.	998,136	-	998,136	-	-	-	-	
Others	220,669,589	-	62,173,002	-	158,496,587	-	158,496,587	
TOTAL	P 225,637,939	P 703,595	P 64,688,612	P -	P 161,652,922	P -	P 161,652,922	

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
SCHEDULE C. - AMOUNTS RECEIVABLE FROM RELATED PARTIES WHICH ARE ELIMINATED DURING THE CONSOLIDATION OF FINANCIAL STATEMENTS
DECEMBER 31, 2025
(Amounts in Philippine Pesos)

Name and Designation of Debtor	Balance at Beginning of Year	Additions	Deductions		Ending Balance		Balance at End of Year
			Amounts Collected	Amounts Written-off	Current	Not Current	
<i>Amounts Receivable from Related Parties Eliminated During Consolidation</i>							
Global-Estate Properties, Inc.	P 7,914,324,721	P -	P 1,306,397,249	P -	P 6,607,927,472	P -	P 6,607,927,472
Fil-Estate Urban Development Corporation	148,156,876	1,517,466	-	-	149,674,342	-	149,674,342
Global Homes and Communities, Inc.	121,315,750	3,014,031	-	-	124,329,781	-	124,329,781
Megaworld Global-Estate, Inc.	93,120,710	14,153,037	-	-	107,273,747	-	107,273,747
Novo Sierra Holding Corp.	356,487	500	-	-	356,987	-	356,987
Oceanfront Properties	38,871,399	-	38,871,399	-	-	-	-
TOTAL	P 8,316,145,943	P 18,685,034	P 1,345,268,648	P -	P 6,989,562,329	P -	P 6,989,562,329

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES

(A Subsidiary of Megaworld Corporation)

Schedule D - Long Term Debt

December 31, 2025

(Amounts in Philippine Pesos)

Title of Issue and type of obligation	Amount authorized by indenture	Amount shown under caption "Current portion of long-term debt" in related balance sheet	Amount shown under caption "Long-Term Debt" in related balance sheet
Bank loan	P 11,500,000,000	P 1,859,047,059	P 7,600,325,668
Megaworld Corporation	129,000,000	-	128,953,824
	P 11,629,000,000	P 1,859,047,059	P 7,729,279,492

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
SCHEDULE E - INDEBTEDNESS TO RELATED PARTIES (LONG-TERM LOANS FROM RELATED COMPANIES)
DECEMBER 31, 2025
(Amounts in Philippine Pesos)

Name of related party	Balance at beginning of period	Balance at end of period
Megaworld Corporation	P <u>2,128,953,824</u>	P <u>128,953,824</u>
TOTAL	P <u>2,128,953,824</u>	P <u>128,953,824</u>

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
SCHEDULE G - CAPITAL STOCK
DECEMBER 31, 2025

Title of Issue	Number of Shares Authorized	Number of Shares Issued and Outstanding under Related Balance Sheet Caption	Number or Shares Held By		
			Related Parties (Parent, Affiliates)	Directors, Officers and Employees	Others
Common Shares	<u>20,000,000,000</u>	<u>10,986,000,000</u>	<u>9,064,112,659</u>	<u>2,723,653</u>	<u>1,919,163,688</u>

GLOBAL-ESTATE RESORTS, INC.
(A Subsidiary of Megaworld Corporation)
9/F Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City
Reconciliation of Retained Earnings Available for Dividend Declaration
December 31, 2025

Unappropriated Retained Earnings at Beginning of Year		P	10,145,672,844
Add: <u>Category A:</u> Items that are directly credited to Unappropriated Retained Earnings			
Reversal of Retained Earning Appropriation/s	-		
Effect of restatements or prior-period adjustments	-		
Others	-		-
Less: <u>Category B:</u> Items that are directly debited to Unappropriated Retained Earnings			
Dividend declaration during the reporting period	(120,000,000)		
Retained Earnings appropriated during the reporting period	-		
Effect of restatements or prior-period adjustments	-		
Others	-	(	120,000,000)
Unappropriated Retained Earnings at Beginning of Year, as adjusted			10,025,672,844
Add/Less: Net Income (Loss) for the Current Year			2,207,055,505
Less: <u>Category C.1:</u> Unrealized income recognized in the profit or loss during the reporting period (net of tax)			
Equity in net income of associate/joint venture, net of dividends declared	(1,483,644,824)		
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-		
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-		
Unrealized fair value gain of investment property	-		
Other unrealized gains or adjustments to the retained earnings as result of certain transactions accounted for under the PFRS	(186,006,670)		
Sub-total		(	1,669,651,494)
Add: <u>Category C.2:</u> Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)			
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-		
Realized fair value adjustment (mark-to-market gains) of financial instruments at 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	42,600,300		
Sub-total			42,600,300
Add: <u>Category C.3:</u> Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)			
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-		
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instrument at FVTPL	-		
Reversal of previously recorded fair value gain of investment property	-		
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-		
Sub-total			-
<i>Balance carried forward</i>			
Adjusted Net Income/Loss			580,004,311

Balance brought forward

Adjusted Net Income/Loss

580,004,311

Add: Category D: Non-actual losses recognized in profit or loss during the reporting period (net of tax)

Depreciation on revaluation increment (after tax)

-

Sub-total

-

Add/ Less: Category E: Adjustments related to relief granted by the SEC and BSP

Amortization of the effect of reporting relief

-

Total amount of reporting relief granted during the year

-

Others

-

Sub-total

-

Add/ Less: Category F: Other items that should be excluded from the determination of the amount of available for dividends distribution

Net movement of treasury shares (except for reacquisition of redeemable shares)

-

Net movement of deferred tax asset not considered in the reconciling items under the previous categories

-

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

(8,228,885)

Adjustment due to deviation from PFRS/GAAP - gain (loss)

-

Others

-

Sub-total

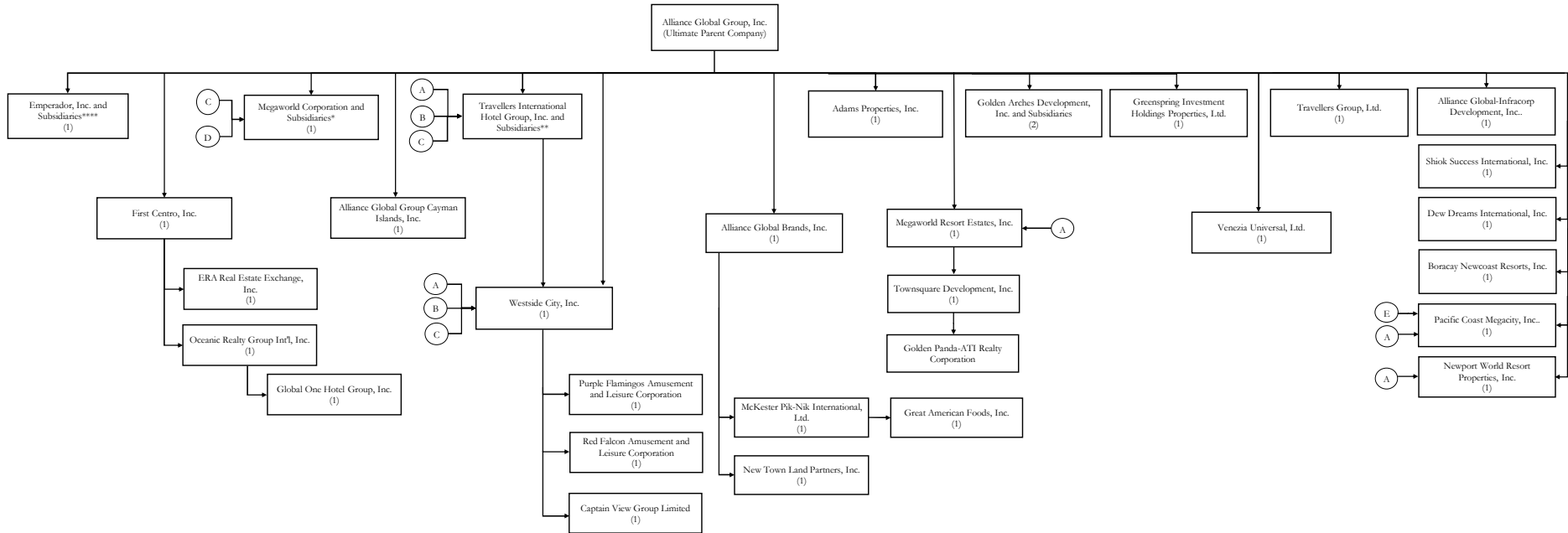
(8,228,885)

Unappropriated Retained Earnings Available for Dividend Distribution at End of Year

P 10,597,448,270

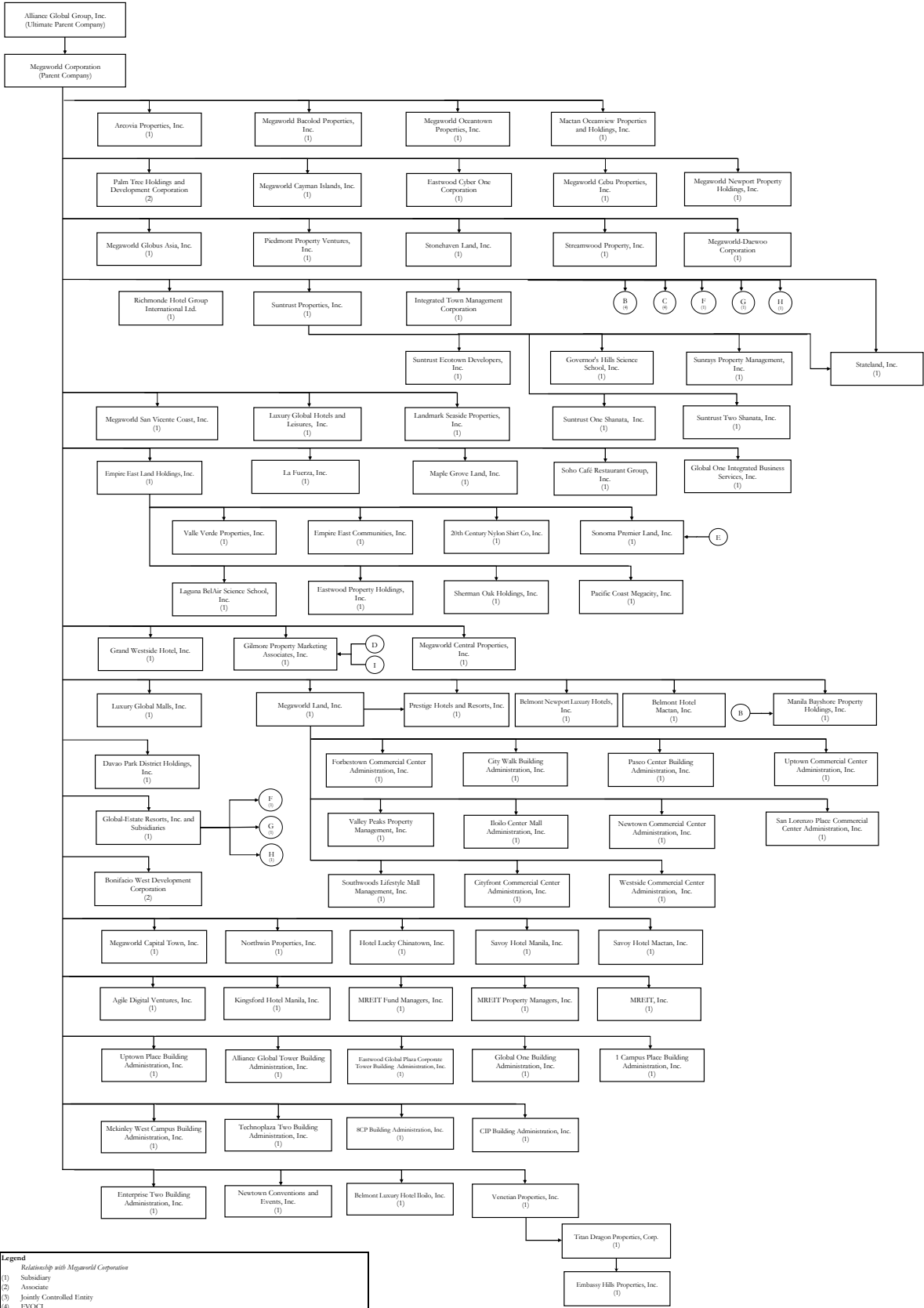
ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES

Map Showing the Relationship Between Alliance Global Group, Inc.
and its Related Parties
December 31, 2025

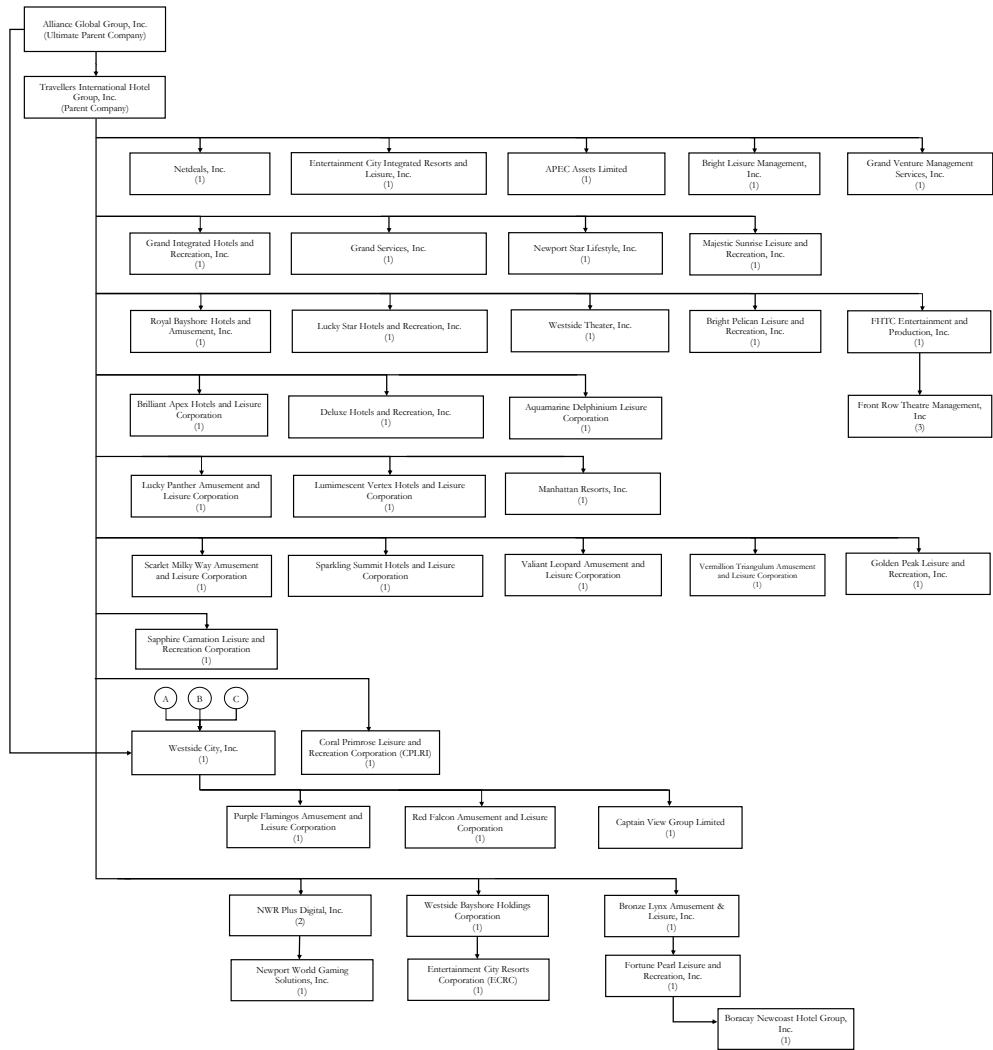


Legend		
(1)	Subsidiary	A Megaworld Corporation
(2)	Associate	B Adams Properties, Inc.
(3)	Jointly Controlled Entity	C First Centro, Inc.
		D Newtown Land Partners, Inc.
		E Empire East Land Holdings, Inc.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
Map Showing the Relationship Between Alliance Global Group, Inc.
and Megaworld Corporation Group
December 31, 2025

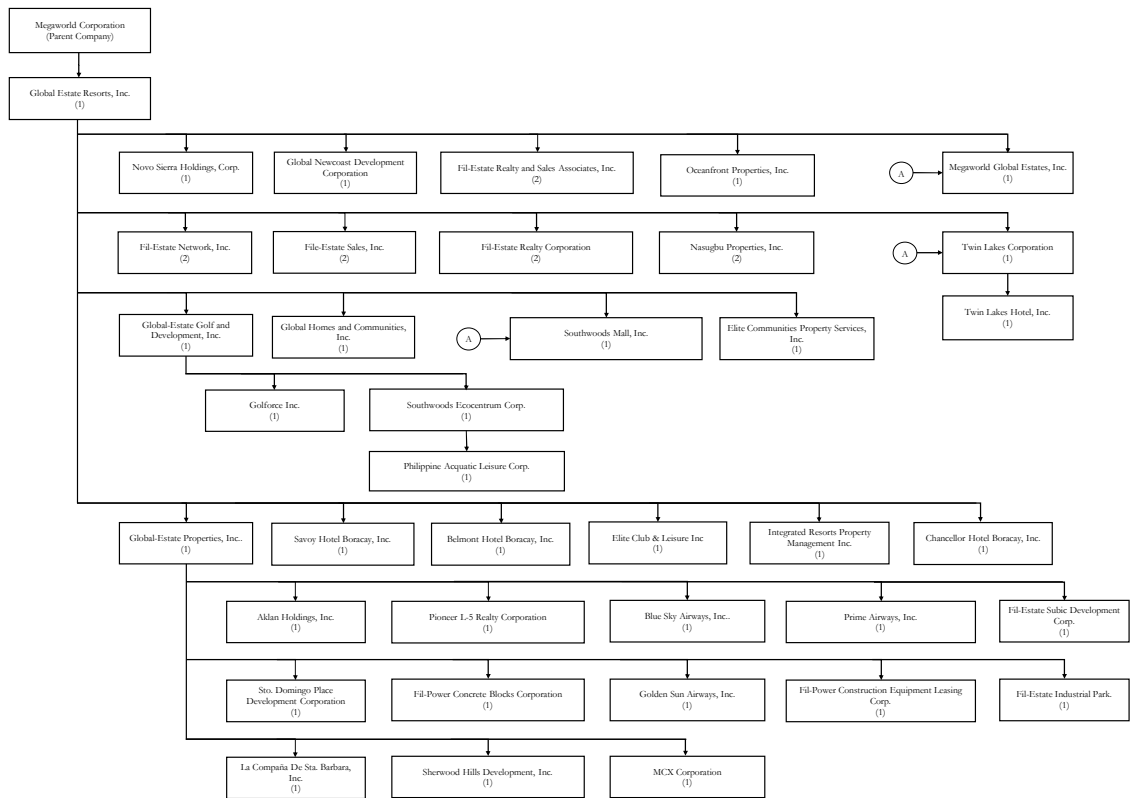


ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
Map Showing the Relationship Between Alliance Global Group, Inc.
and Travellers Group
December 31, 2025



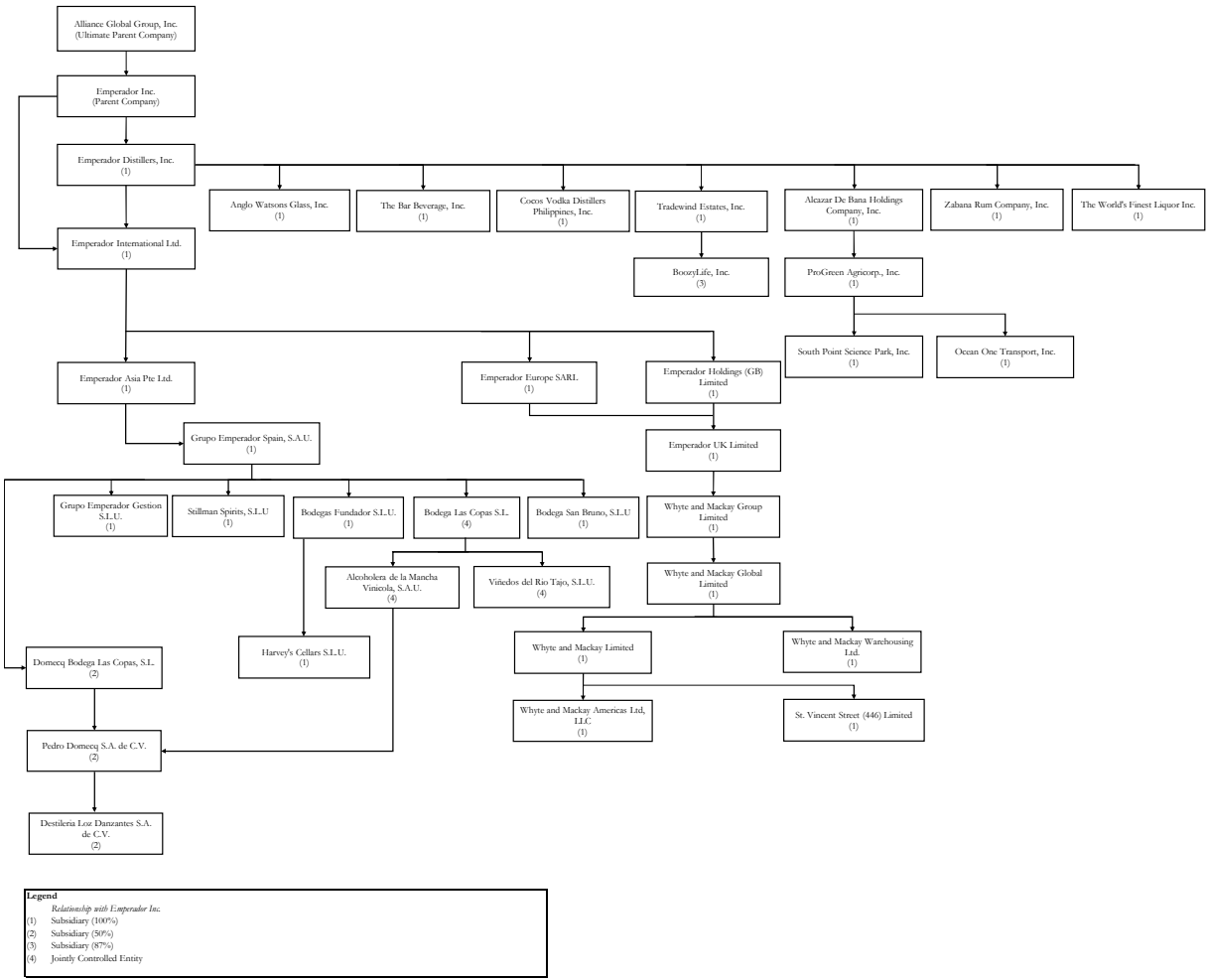
Legend			
Relationship with Travellers International Hotel Group, Inc.			
(1)	Subsidiary		
(2)	Associate		
(3)	Jointly Controlled Entity		
(4)	FVOCI		
A	Megaworld Corporation		
B	Adams Properties, Inc.		
C	First Centro, Inc.		
D	Newtown Land Partners, Inc.		
E	Travellers International Hotel Group, Inc.		
F	Manila Bayshore Property Holdings, Inc.		
G	Westside City, Inc.		
H	Townsquare Development, Inc.		
I	Megaworld Resort Estates, Inc.		
S	Empire East Land Holdings, Inc.		
J	Twin Lakes Corporation		
K	Megaworld Global Estates, Inc.		
L	Megaworld Central Properties, Inc.		
M	Shook Success International, Ltd.		
N	Dew Dreams International, Ltd.		
O	Southwoods Mall, Inc.		
P	Sonoma Premier Land, Inc.		
Q	Gilmore Property Marketing Associates, Inc.		
R	Emperador Inc.		
T	Summit Home Developers, Inc.		

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
Map Showing the Relationship Between and
Among Megaworld and Global Estate Resorts Inc. Group
December 31, 2025



Legend	
(1)	Subsidiary
(2)	Associate
(3)	Jointly Controlled Entity
(4)	FOUCL
A	Megaworld Corporation
B	Adams Properties, Inc.
C	Frost Centre, Inc.
D	Newtown Land Partners, Inc.
E	Travellers International Hotel Group, Inc.
F	Manila Bayshore Property Holdings, Inc.
G	Westside City, Inc.
H	Townsquare Development, Inc.
I	Megaworld Resort Estates, Inc.
S	Empire East Land Holdings, Inc.
J	Twin Lakes Corporation
K	Megaworld Global Estates, Inc.
L	Megaworld Central Properties, Inc.
M	Shirk Success International, Ltd.
N	Dew Dreams International, Ltd.
O	Southwoods Mall, Inc.
P	Sonoma Premier Land, Inc.
Q	Gilmore Property Marketing Associates, Inc.
R	Emperador Inc.
T	Suntrust Home Developers, Inc.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
Map Showing the Relationship Between Alliance Global Group, Inc.
and Emperor Group
December 31, 2025



GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
Supplementary Schedule of External Auditor Fee-Related Information
For the Years Ended December 31, 2025 and 2024
(Amounts in Philippine Pesos)

	<u>2025</u>	<u>2024</u>
Total Audit Fees	P 9,194,300	P 7,497,321
Non-audit service fees:		
Other assurance services	-	-
Tax services	-	-
All other services	-	-
Total Non-audit fees	-	-
Total Audit and Non-audit fees	P 9,194,300	P 7,497,321

Report of Independent Auditors on Components of Financial Soundness Indicators

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
Philippines

T +63 2 8988 2288

The Board of Directors and Stockholders
Global-Estate Resorts, Inc. and Subsidiaries
(A Subsidiary of Megaworld Corporation)
9/F Eastwood Global Plaza
Palm Tree Avenue, Eastwood City
Bagumbayan, Quezon City

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Global-Estate Resorts, Inc. and Subsidiaries (the Group) for the years ended December 31, 2025 and 2024, on which we have rendered our report dated March 16, 2026. Our audit was made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, are the responsibility of the Group's management. These financial soundness indicators are not measures of operating performance defined by Philippine Financial Reporting Standards (PFRS Accounting Standards) and may not be comparable to similarly titled measures presented by other companies. This schedule is presented for the purposes of complying with the Revised Securities Regulation Code Rule 68 issued by the Philippine 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 the years then ended and no material exceptions were noted.

PUNONGBAYAN & ARAULLO



By: Edcel U. Costales
Partner

CPA Reg. No. 0134633
TIN 274-543-395
PTR No. 10770757, January 6, 2026, Makati City
SEC Group A Accreditation
Partner - No. 134633-SEC (until financial period 2026)
Firm - No. 0002 (until financial period 2030)
BIR AN 08-002551-045-2025 (until November 11, 2028)
BOA/PRC Cert. of Reg. No. 0002/P-017 (until August 12, 2027)

March 16, 2026

GLOBAL - ESTATE RESORTS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
Supplemental Schedule of Financial Soundness Indicators
December 31, 2025 and 2024

Ratio	Formula	2025	Formula	2024
Current ratio	Total Current Assets divided by Total Current Liabilities	4.99	Total Current Assets divided by Total Current Liabilities	4.47
	Total Current Assets 44,071,965,478		Total Current Assets 42,932,780,824	
	Divide by: Total Current Liabilities 8,837,997,235		Divide by: Total Current Liabilities 9,595,390,150	
	Current ratio 4.99		Current ratio 4.47	
Quick assets ratio	Quick assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities	2.09	Quick assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities	1.98
	Total Current Assets 44,071,965,478		Total Current Assets 42,932,780,824	
	Less: Inventories (21,277,246,943)		Less: Inventories (19,811,862,169)	
	Other Current Assets (4,301,540,398)		Other Current Assets (4,097,979,626)	
	Quick Assets 18,493,178,137		Quick Assets 19,022,939,029	
	Divide by: Total Current Liabilities 8,837,997,235		Divide by: Total Current Liabilities 9,595,390,150	
	Quick Assets ratio 2.09		Quick Assets ratio 1.98	
Solvency ratio	Total Assets divided by Total Liabilities	2.95	Total Assets divided by Total Liabilities	2.84
	Total Assets 64,666,285,415		Total Assets 62,850,105,522	
	Divide by: Total Liabilities 21,915,924,548		Divide by: Total Liabilities 22,144,409,853	
	Solvency ratio 2.95		Solvency ratio 2.84	
Debt-to-equity ratio	Total Liabilities divided by Total Equity	0.51	Total Liabilities divided by Total Equity	0.54
	Total Liabilities 21,915,924,548		Total Liabilities 22,144,409,853	
	Divide by: Total Equity 42,750,360,867		Divide by: Total Equity 40,705,695,669	
	Debt-to-equity ratio 0.51		Debt-to-equity ratio 0.54	
Assets-to-equity ratio	Total Assets divided by Total Equity	1.51	Total Assets divided by Total Equity	1.54
	Total Assets 64,666,285,415		Total Assets 62,850,105,522	
	Divide by: Total Equity 42,750,360,867		Divide by: Total Equity 40,705,695,669	
	Assets-to-equity ratio 1.51		Assets-to-equity ratio 1.54	
Interest rate coverage ratio	Earnings before interest and taxes (EBIT) divided by Interest expense	9.12	Earnings before interest and taxes (EBIT) divided by Interest expense	8.83
	EBIT 3,258,062,720		EBIT 3,051,725,491	
	Divide by: Interest expense 357,323,639		Divide by: Interest expense 345,576,030	
	Interest rate coverage ratio 9.12		Interest rate coverage ratio 8.83	
Return on equity (attributable to Parent Company's shareholders)	Net Profit divided by Average Total Equity	0.05	Net Profit divided by Average Total Equity	0.05
	Net Profit 1,924,530,701		Net Profit 1,780,517,595	
	Divide by: Average Total Equity 35,104,281,422		Divide by: Average Total Equity 33,861,295,524	
	Return on equity 0.05		Return on equity 0.05	
Return on assets (attributable to Parent Company's shareholders)	Net Profit divided by Average Total Assets	0.03	Net Profit divided by Average Total Assets	0.03
	Net Profit 1,924,530,701		Net Profit 1,780,517,595	
	Divide by: Average Total Assets 63,758,195,469		Divide by: Average Total Assets 62,318,698,061	
	Return on assets 0.03		Return on assets 0.03	
Net profit margin (attributable to Parent Company's shareholders)	Net Profit divided by Total Revenue	0.22	Net Profit divided by Total Revenue	0.20
	Net Profit 1,924,530,701		Net Profit 1,780,517,595	
	Divide by: Total Revenue 8,937,588,792		Divide by: Total Revenue 8,886,519,613	
	Net profit margin 0.22		Net profit margin 0.20	

ANNEX “D”

SEC FORM 17-Q FOR THE 1ST QUARTER OF 2026



SECURITIES AND EXCHANGE COMMISSION

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



The following document has been received:

Receiving: DONNA ENCARNADO

Receipt Date and Time: May 11, 2026 03:37:14 PM

Company Information

SEC Registration No.: AS94004462

Company Name: GLOBAL-ESTATE RESORTS, INC.

Industry Classification: K70120

Company Type: Stock Corporation

Document Information

Document ID: OST105112026811350289

Document Type: Quarterly Report

Document Code: SEC_Form_17-Q

Period Covered: March 31, 2026

Submission Type: Original Filing

Remarks: None

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

COVER SHEET

A S O 9 4 0 0 4 4 6 2

S.E.C. Registration Number

G L O B A L - E S T A T E R E S O R T S , I N C .

(Company's Full Name)

9 T H F L O O R E A S T W O O D G L O B A L P L A Z A

P A L M T R E E A V E N U E B A G U M B A Y A N

1 1 1 0 Q U E Z O N C I T Y

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

LAILANI V. VILLANUEVA

Contact Person

328-4374

Company Telephone Number

1 2

Month

3 1

Day

Calendar Year

SEC FORM 17-Q

(for the quarter ended 31 March 2026)

FORM TYPE

0 6

Month

2 5

Day

annual meeting

Secondary License Type, If Applicable

Dept. Requiring this Doc.

Amended Articles Number/ Section

Total Amount of Borrowings

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Dociment I.D.

Cashier

STAMPS

SEC Number **AS094004462**
File Number _____

GLOBAL-ESTATE RESORTS, INC.
(Company's Full Name)

9th Floor, Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan,
Quezon City
(Company's Address)

(632) 5328-4370 to 78
(Tel. No.)

December 31, 2026
(Calendar Year Ending)

SEC FORM 17-Q (1st QUARTER)
(Form Type)

March 31, 2026
(Period ended date)

REGISTERED AND LISTED
(Secondary License Type and File Number)

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

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

1. For the quarterly period ended: **March 31, 2026**
2. Commission identification number.....: **AS094004462**
3. BIR Tax Identification No.....: **000-426-523-V**
4. Exact name of issuer as specified in its charter

GLOBAL-ESTATE RESORTS, INC.

5. Province, country or other jurisdiction of incorporation or organization
Quezon City, Philippines

6. Industry Classification Code: (SEC Use Only)

7. Address of issuer's principal office Postal Code
9th Floor, Eastwood Global Plaza, Palm Tree Avenue,
Eastwood City, Bagumbayan, Quezon City **1110**

8. Issuer's telephone number, including area code
Tel. No. (632) 5328-4370 to 78

9. Former name, former address and former fiscal year, if changed since last report
N/A

10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each class

Number of shares of common stock outstanding
and amount of debt outstanding

Common stock	10,986,000,000
---------------------	-----------------------

Loans payable	₱ 9,154,625,367
Bonds payable	₱ -

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

Yes ☒ No ☐

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

Philippine Stock Exchange (PSE)	Common stock
--	---------------------

12. Indicate by check mark whether the registrant:

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

Yes ☒ No ☐

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

Yes ☒ No ☐

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Please refer to attached Annex A-1 for the Consolidated Statements of Financial Position as of March 31, 2026 and December 31, 2025; Annex A-2 for the Consolidated Statements of Comprehensive Income for the three-month period ended March 31, 2026 and March 31, 2025; Annex A-3 for Consolidated Statements of Changes in Stockholders' Equity for the three-month period ended March 31, 2026 and March 31, 2025; Annex A-4 for the Consolidated Statements of Cash Flows for the three-month period ended March 31, 2026 and March 31, 2025 and Annex A-5 for the Aging of Receivables for the 1st Quarter ended March 31, 2026.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Refer to attached Analysis of Operations.

PART II--OTHER INFORMATION

Not Applicable.

SIGNATURES

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

Principal Financial/Accounting Officer/
Controller/Authorized Representative:

Ms. Lailani V. Villanueva

.....
Title : Chief Financial Officer

.....
Signature :



.....
Date : May 11, 2026

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF
FINANCIAL CONDITION AND RESULTS OF OPERATIONS
FOR THE 1st QUARTER ENDED March 31, 2026

REVIEW OF RESULTS OF OPERATIONS

(Comparing balances for the 3-month period ended March 31, 2026 and 3-month period ended March 31, 2025)

Consolidated revenues for the three-month period ended March 31, 2026 amounted to Php2.2 billion. Real estate sales of Php1.6 billion were primarily driven by the sale of lots in Newcoast The Village and Newcoast Resorts Village in Malay, Aklan; Sta. Barbara Heights in Iloilo City; Twin Lakes Domaine Le Jardin and Lucerne at Domaine Le Jardin in Laurel, Batangas; Pahara in Southwoods City; Eastland Heights in Antipolo, Rizal; and The Lindgren in Trece Martires, Cavite; and condominium units in Oceanway Residences One and Ocean Garden Villas in Boracay, Holland Park and Tulip Gardens in Southwoods City, as well as Vineyard Residences, Belvedere, The Manor, and Countrywoods in Twin Lakes, Laurel, Batangas.

Hotel revenues decreased by 50%, from Php298.0 million as of March 31, 2025 to Php149.8 million as of March 31, 2026, mainly due to lower occupancy rates during the period. Rental income, however, increased by 14%, from Php143.6 million to Php163.5 million, driven by improved occupancy rates and higher tenant sales. The balance of revenues was contributed by marketing fees of Php23.6 million, finance and other income of Php205.0 million, and service income of Php56.4 million.

Costs and expenses decreased by Php65.8 million or 4%, primarily due to lower cost of real estate sales, reduced hotel operating costs, and lower finance costs and other charges.

As a result, the Company posted a net income of Php649.4 million for the period ended March 31, 2026.

Major Movements of Income Statement Accounts

(Increase/decrease of 5% or more versus March 31, 2025)

- 10% increase in Real Estate Sales – mainly due to higher sales recognized during the period.
- 50% decrease in Hotel Revenues – mainly attributable to lower occupancy rates.
- 14% increase in Rental Income – driven by improved occupancy and higher tenant sales.
- 19% decrease in Service Income – due to lower service revenues during the period.
- 28% decrease in Marketing Fees – attributable to lower marketing income from joint venture partners' inventory sales.
- 20% decrease in Finance and Other Income – due to lower interest income related to real estate sales.
- 10% decrease in Cost of Real Estate Sales – mainly due to a favorable sales mix, with higher-margin projects recognized during the period.
- 32% decrease in Cost of Hotel Operations – due to decrease in hotel occupancy.
- 10% decrease in Cost of Rental and Services – primarily due to decrease in costs directly related to rental and service operations.
- 11% increase in Operating Expenses – mainly due to higher administrative expenses and costs directly related to increased revenues.
- 13% decrease in Finance Costs and Other Charges – due to lower finance costs and reduced recognition of losses on sales cancellations.
- 5% increase in Income Tax Expense – due to higher taxable income.

REVIEW OF FINANCIAL CONDITION

The Group's financial position remained stable. Total assets as of March 31, 2026 amounted to Php65.7 billion, compared to Php64.7 billion as of December 31, 2025, reflecting an increase of Php1.1 billion.

Contract assets increased by 24%, from Php3.9 billion as of December 2025 to Php4.9 billion as of March 2026, due to additional sales from uncompleted projects where the percentage of completion exceeded collections.

Advances to related parties decreased by 29%, from Php957.3 million to Php683.7 million, mainly due to collections from related parties. Other current and non-current assets increased by 6% or Php299.1 million due to higher advances to contractors and suppliers.

Interest bearing loans and borrowings decreased by 5%, primarily due to partial payments made on the principal loan obligation.

Contract liabilities increased by 111%, from Php370.2 million as of December 2025 to Php779.9 million as of March 2026, due to sales from uncompleted projects where collections exceeded the percentage of completion. Customers' deposits increased by Php75.3 million or 14%, from Php537.6 million to Php613.0 million, reflecting collections from both existing and new buyers.

Due to joint venture partners decreased by 5% or Php25.7 million due to payments made to joint venture partners. Advances from related parties increased by 6% or Php36.5 million due to additional advances received from related parties.

Shareholders' equity increased from Php42.8 billion as of December 2025 to Php43.4 billion as of March 2026, primarily due to the net income generated during the period.

Major movements of Balance Sheet Accounts

- 24% increase in Contract Assets – due to additional sales from uncompleted projects where percentage of completion exceeded collections.
- 29% decrease in Advances to Related Parties – due to collections from related parties.
- 6% increase in Other Current and Non-current Assets – due to higher advances to contractors and suppliers.
- 111% increase in Contract Liabilities – due to higher sales from uncompleted projects where collections exceeded percentage of completion.
- 5% decrease in Interest Bearing Loans and Borrowings – primarily due to partial payments made on the principal loan obligations.
- 14% increase in Customers' Deposits – due to collections from both existing and new buyers.
- 5% decrease in Due to Joint Venture Partners – due to payments made to joint venture partners.
- 6% increase in Advances from Related Parties – due to additional advances received from related parties.

KEY PERFORMANCE INDICATORS

LIQUIDITY RATIOS

	March 31, 2026	December 31, 2025
Current Ratio	4.76	4.99
Quick Assets Ratio	2.08	2.09

Current Ratio (Current Assets/Current Liabilities)

Liquidity ratio measures a company's ability to pay short-term obligations.

Quick Assets Ratio (Current Assets less Inventories and Other Current Assets/Current Liabilities)

It measures a company's ability to meet its short-term obligations with its most liquid assets.

LEVERAGE OR LONG-RANGE SOLVENCY RATIOS

	March 31, 2026	December 31, 2025
Debt to Total Assets	34%	34%
Equity to Total Assets	66%	66%
Debt to Equity	51%	51%
Asset to Equity	1.51	1.51

Debt to Total Assets

It shows the creditors' contribution to the total resources of the organization.

Equity to Total Assets

It shows the extent of owners' contribution to the total resources of the organization.

Debt to Equity

It relates the exposure of the creditors to that of the owners.

Asset To Equity (Total Assets/Total Owner's Equity)

It measures the company's leverage.

PROFITABILITY RATIOS

	March 31, 2026	March 31, 2025
Return on Equity	1.61%	1.65%
Return on Assets	1.00%	1.02%
Earnings per Share	₱ 0.0534	₱ 0.0518

Return on Equity (Net Income Attributable to Parent Company's shareholders/Average Equity Attributable to Parent Company's shareholders)

It tests the productivity of the owners' investments.

Return on Assets (Net Income / Average Total Assets)

This ratio indicates how profitable a company is relative to its total assets.

Earnings per Share (EPS)

It indicates the earnings for each of the common shares held.

ACTIVITY RATIO

	March 31, 2026	March 31, 2025
Asset Turnover	2.42%	2.29%

Asset Turnover (Sales / Total Assets)

It measures the level of capital investment relative to sales volume.

INTEREST COVERAGE RATIO

	March 31, 2026	March 31, 2025
Interest Coverage	9.77	11.46

Interest Coverage Ratio (Earnings before Interest and Income Tax / Interest Expense)

It measures how easily a company can pay interest on an outstanding debt.

OTHERS

As of the 1st quarter ended March 31, 2026, there are no:

- Known trend, demands, commitments, events or uncertainties that would have a material impact on the liquidity of the Company.
- Material commitments for capital expenditures, the general purpose of such commitments and the expected sources of funds for such expenditures.
- Known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on the net sales/revenues/income from continuing operations.
- Significant elements of income or loss that did not arise from the Company's continuing operations.
- Causes for any material changes from period to period in one or more line items of the Company's financial operations.
- Seasonal aspects that had a material effect on the financial condition or results of the operations.
- Events that will trigger direct or contingent financial obligation that is material to the company, including any default or acceleration of an obligation;
- All material off-balance sheet transactions, arrangements, obligations (including contingent obligations), and other relationships of the company with unconsolidated entities of other persons created during the reporting period.

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES

NOTES TO FINANCIAL STATEMENTS

FOR THE 1st QUARTER ENDED March 31, 2026

1. CORPORATE INFORMATION

Global-Estate Resorts, Inc. (the Company or GERI) was incorporated in the Philippines on May 18, 1994. It is primarily engaged in the development of integrated tourism and leisure estates, and integrated lifestyle communities with residential, retail, hotel and/or leisure components. The Company also engages in land acquisitions and maintains an inventory of raw land for future development.

The registered office address of the Company, which is also its principal place of business, is located at 9/F Eastwood Global Plaza, Palm Tree Avenue, Eastwood City, Bagumbayan, Quezon City.

Megaworld Corporation (Megaworld or the parent company) is the parent company of Global-Estate Resorts, Inc. and subsidiaries (the Group). Megaworld is 61.08% owned by Alliance Global Group, Inc. (AGI), the Company's ultimate parent company.

Megaworld was incorporated in the Philippines primarily to engage in the development of large scale, mixed-use planned communities or townships that integrate residential, commercial, leisure and entertainment components. Megaworld is presently engaged in property-related activities such as product design, construction and property management. Megaworld's real estate portfolio includes residential condominium units, subdivision lots and townhouses, as well as office projects and retail spaces. The registered office address of Megaworld, which is also its principal place of business, is located at the 30th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City.

AGI is a holding company with diversified investments in real estate, food and beverage, quick service restaurants and tourism-entertainment and gaming businesses. AGI's registered office address, which is also its primary place of business, is located at the 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriguez Jr. Avenue, Bagumbayan, Quezon City.

The shares of stock of the Company, Megaworld and AGI are listed at the Philippine Stock Exchange.

1.1 Composition of the Group

The Company holds interests in the following subsidiaries and associates (collectively, together with the Company, hereinafter referred to as the Group) as of March 31, 2026:

Subsidiaries/Associates	Explanatory Notes	Percentage of Ownership
Subsidiaries:		
Global-Estate Properties, Inc. (GEPI)		100%
Aklan Holdings Inc. (AHI)	(a)	100%
Blue Sky Airways, Inc. (BSAI)	(a)	100%
Fil-Estate Subic Development Corp. (FESDC)	(a)	100%
Fil-Power Construction Equipment Leasing Corp. (FPCELC)	(a)	100%
Golden Sun Airways, Inc. (GSAI)	(a)	100%
La Compañia De Sta. Barbara, Inc. (LCSBI)	(a)	100%
MCX Corporation (MCX)	(a)	100%
Pioneer L-5 Realty Corp. (PLRC)	(a)	100%
Prime Airways, Inc. (PAI)	(a)	100%
Sto. Domingo Place Development Corp. (SDPDC)	(a)	100%
Fil-Power Concrete Blocks Corp. (FPCBC)	(a)	100%
Fil-Estate Industrial Park, Inc. (FEIPI)	(a)	79%
Sherwood Hills Development Inc. (SHDI)	(a)	55%
Global-Estate Golf and Development, Inc. (GEGDI)		100%
Golforce, Inc. (Golforce)	(b)	100%
Southwoods Ecocentrum Corp. (SWEC)	(b)	60%
Philippine Aquatic Leisure Corp. (PALC)	(c)	60%
Global Newcoast Development Corporation (GNDC) <i>[Formerly Fil-Estate Urban Development Corp.]</i>		100%
Novo Sierra Holdings Corp. (NSHC)		100%
Elite Communities Property Services, Inc. (ECPST)	(d)	100%
Savoy Hotel Boracay, Inc. (SHBI)	(e)	100%
Belmont Hotel Boracay, Inc. (BHBI)	(e)	100%
Chancellor Hotel Boracay Inc. (CHBI)	(e)	100%
Megaworld Global-Estate, Inc. (MGEI)	(f)	60%
Twin Lakes Corp. (TLC)		51%
Twin Lakes Hotel, Inc. (TLHI)	(g)	51%
Oceanfront Properties, Inc. (OPI)	(h)	50%
Global Homes and Communities, Inc. (GHCI)		100%
Southwoods Mall, Inc. (SMI)		51%
Elite Club & Leisure Inc. (ELCI)	(i)	100%
Integrated Resorts Property Management Inc. (IRPMI)	(i)	100%
Associates:		
Fil-Estate Network, Inc. (FENI)		20%
Fil-Estate Sales, Inc. (FESI)		20%
Fil-Estate Realty and Sales Associates Inc. (FERSAI)		20%
Fil-Estate Realty Corp. (FERC)		20%
Nasugbu Properties, Inc. (NPI)	(j)	14%

Non-controlling interests (NCI) represent the interests not held by the Group in FEIPI, SHDI, SWEC, PALC, MGEI, TLC, TLHI, OPI and SMI.

All subsidiaries and associates were incorporated in the Philippines, operate within the country and are engaged in businesses related to the main business of the Company.

Explanatory notes:

- a. Subsidiaries of GEPI; percentage ownership represents effective ownership of GERI.
- b. Subsidiaries of GEGDI; percentage ownership represents effective ownership of GERI.
- c. Subsidiary of SWEC.
- d. Subsidiary acquired in prior years primarily to manage and administer real estate properties.
- e. Subsidiaries engaged primarily to operate and manage resort hotels. CHBI is newly incorporated in 2024.
- f. Subsidiary acquired in prior years primarily to market the Group's projects.
- g. A subsidiary of TLC. TLHI was incorporated in 2018 to operate Twin Lakes Hotel, one of the real estate projects of TLC.
- h. Subsidiary through de facto control [see Note 3.1(k)].
- i. Newly incorporated subsidiaries in 2023, ECLI maintains and manages on the business and operations of clubs, resorts and leisure facilities. IRPMI manages and administers real estate properties.
- j. Associate through Board of Directors (BOD) representation [see Note 3.1(j)].

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information that have been used in the preparation of these interim condensed consolidated financial statements are consistent with those applied in the audited consolidated financial statements as of and for the year ended December 31, 2025.

2.1 Basis of Preparation of Consolidated Financial Statements

(a) Statement of Compliance with Philippine Financial Reporting Standards

The consolidated financial statements of the Group as at and for the year ended December 31, 2025 and 2024 were prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). Prior to 2024, the Group's consolidated financial statements were prepared in accordance with PFRS Accounting Standards, as modified by the application of the financial reporting reliefs issued and approved by the Philippine Securities and Exchange Commission (SEC) in response to the COVID-19 Pandemic [see Note 2.1(b)]. PFRS Accounting Standards are adopted by the Financial and Sustainability Reporting Standards Council (FSRSC) from the pronouncements issued by the International Accounting Standards Board and approved by the Philippine Board of Accountancy.

The consolidated financial statements have been prepared using the measurement bases specified by the relevant accounting frameworks, for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

(b) SEC Financial Reporting Reliefs Availed and Adopted by the Group

Prior to January 1, 2024, the Group has availed of several financial reporting reliefs granted by the SEC relating to the number of implementation issues of PFRS 15, *Revenue from Contracts with Customers*, and the related financial reporting interpretations affecting the real estate industry. In 2024, the Group adopted the previously deferred provisions of PFRS 15, and the related issuances of the Philippine Interpretations Committee (PIC), and International Financial Reporting Interpretations Committee (IFRIC) Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) using modified retrospective approaches allowed by SEC MC No. 08-2021, *Amendment to SEC MC No. 14-2018, MC No. 03-2019, MC No. 04-2020, and MC No. 34-2020 to clarify transitory provision*.

The adoption of these standards and interpretations has resulted to adjustments to the amounts recognized in the consolidated financial statements as at January 1, 2024, with the cumulative effect recognized in equity as an adjustment to the opening balance of Retained Earnings for 2024.

Discussed below are the relevant information about these standards and interpretations, and the resulting adjustments to the relevant consolidated financial statements accounts as at January 1, 2024.

(i) IFRIC Agenda Decision on Over Time Transfer of Constructed Goods (PAS 23) for Real Estate Industry

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

As a result of the adoption of the IFRIC Agenda Decision, Inventories decreased by P1,112.7 million and Deferred Tax Liabilities – net decreased by P187.0 million as at January 1, 2024.

(ii) PIC Q&A No. 2018-12-D, *Concept of the significant financing component in the contract to sell* and PIC Q&A No. 2020-04, *Addendum to PIC Q&A 2018-12-D: Significant Financing Component Arising from Mismatch between the Percentage of Completion and Schedule of Payments*

PFRS 15 requires that in determining the transaction price, an entity shall adjust the promised amount of consideration for the effects of the time value of money if the timing of payments agreed to by the parties to the contract (either explicitly or implicitly) provides the customer or the entity with a significant benefit of financing the transfer of goods or services to the customer. In those circumstances, the contract contains a significant financing component.

There is no significant financing component if the difference between the promised consideration and the cash selling price of the good or service arises for reasons other than the provision of finance to either the customer or the entity, and the difference between those amounts is proportional to the reason for the difference. Further, the Group does not need to adjust the promised amount of consideration for the effects of a significant financing component if the entity expects, at contract inception that the timing difference of the receipt of full payment of the contract price and that of the completion of the project, are expected within one year and significant financing component is not expected to be significant.

(c) *Presentation of Consolidated Financial Statements*

The consolidated financial statements are presented in accordance with PAS 1, *Presentation of Financial Statements*. The Group presents a consolidated statement of comprehensive income separate from the consolidated statement of income.

(d) *Functional and Presentation Currency*

These consolidated financial statements are presented in Philippine Peso, the Group's presentation and functional currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the consolidated financial statements of the Group are measured using the Group's functional currency. Functional currency is the currency of the primary economic environment in which the Group operates.

2.2 Adoption of Amended PFRS Accounting Standards

(a) *Effective in 2025 that are Relevant to the Group*

The Group adopted for the first time amendments to PAS 21, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*, which are mandatorily effective for annual periods beginning on or after January 1, 2025. The amendments require entities to assess whether a currency is exchangeable and to determine a spot exchange rate when exchangeability is lacking. These amendments also mandate the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable. The amendments had no significant impact on the consolidated financial statements of the Group.

(b) *Effective Subsequent to 2025 but not Adopted Early*

There are new standards and amendments to existing standards effective for annual periods subsequent to 2025, which are adopted by the FSRSC. Management will adopt the following relevant pronouncements in accordance with their transitional provisions; and unless otherwise indicated, none of these are expected to have a significant impact on the Group's consolidated financial statements:

- (i) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)
- (ii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The new standard, however, does not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.
- (iii) PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely).

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Company, and its subsidiaries as enumerated in Note 1.1, after the elimination of material intercompany transactions.

The financial statements of entities in the Group that are prepared as of a date different from that of the date of these consolidated financial statements were adjusted to recognize the effects of significant transactions or events, if any, that occur between that date of their reporting period and the date of these consolidated financial statements. Adjustments are also made to bring into line any dissimilar accounting policies that may exist.

Acquired subsidiaries are subject to either of the following relevant policies:

- (a) Business acquisitions of entities not under common control of a principal stockholder are accounted for using the acquisition method of accounting.

- (b) Business combinations arising from transfers of interests in entities that are under the common control of the principal stockholder are accounted for under the pooling-of interests method. Transfers of assets between commonly-controlled entities are accounted for under historical cost accounting; hence, the assets and liabilities are reflected in the consolidated financial statements at carrying values and no adjustments are made to reflect fair values or recognize any new assets or liabilities, at the date of the combination that otherwise would have been done under the acquisition method. Acquired investment in associate is subject to the purchase method.

2.4 Financial Instruments

(a) *Financial Assets*

Regular purchases and sales of financial assets are recognized on their trade date (i.e., the date that the Group commits to purchase or sell the asset).

The Group's financial assets include financial assets at amortized cost which are presented in the consolidated statement of financial position as Cash and Cash Equivalents, Trade and Other Receivables [except for value-added tax (VAT) on contracts with customers, Advances to raw landowners and Advances to officers and employees], Advances to Real Estate Property Owners, Advances to Related Parties, and Refundable deposits (as part of Other Non-current Assets account).

Impairment of Financial Assets

The Group applies the simplified approach in measuring expected credit losses (ECL), which uses a lifetime expected loss allowance for all trade and other receivables, contract assets, and other financial assets carried at amortized cost. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial assets. The Group uses historical experience, external indicators and forward-looking information to calculate the ECL using a provision matrix. The Group also assesses impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and have been grouped based on the days past due.

In the case of advances to related parties, which are repayable on demand, the contractual period is the very short period needed to transfer the cash once demanded. Management determines possible impairment based on the sufficiency of the related parties' highly liquid assets in order to repay the Group's receivables if demanded at the reporting date taking into consideration the historical defaults of the related parties. If the Group cannot immediately collect its receivables, management considers the expected manner of recovery to measure ECL. If the recovery strategies indicate that the outstanding balance of advances to related parties can be collected, the ECL is limited to the effect of discounting the amount due over the period until cash is realized.

(b) *Financial Liabilities*

Financial liabilities of the Group include Interest-bearing Loans, Trade and Other Payables (except tax-related liabilities), Advances from Related Parties, Due to Joint Venture Partners, Lease Liabilities and Other Non-current Liabilities account (except Advance rental).

2.5 Inventories

Costs of real estate inventories are assigned using specific identification of their individual costs.

The Group recognizes the effect of revisions in the total project cost estimates in the year in which these changes become known. Any impairment loss from a real estate project is charged to operations during the period in which the loss is determined.

Reposessed property arising from sales cancellation is recognized at cost. The difference between the carrying amount of the corresponding contract balances to be derecognized and the cost of the reposessed property is recognized in the consolidated statement of comprehensive income.

2.6 Property and Equipment

Property and equipment, except land, are carried at acquisition or construction cost less subsequent depreciation, amortization for property and equipment and any impairment losses. As no finite useful life for land can be determined, the related carrying amount are not depreciated.

Depreciation and amortization is computed on the straight-line basis over the estimated useful lives of the assets as follows:

Building	50 years
Building and office improvements	5-10 years
Transportation and other equipment	5 years
Office furniture, fixtures and equipment	3-5 years

2.7 Investment Properties

Investment properties consist of parcels of land and buildings, including those under construction, held or intended for lease or for capital appreciation or both. These properties are carried at cost, net of accumulated depreciation and any impairment in value, except for land which is not subject to depreciation.

Depreciation is computed on a straight-line basis over the estimated useful life of the assets as follows:

Building and improvements	25-50 years
Land development and improvements	20 years

2.8 Revenue and Expense Recognition

Revenue comprises revenue from sale of real properties, hotel operations and leasing activities. The Group's leasing activities are accounted for under PFRS 16 (see Note 2.9).

The Group develops real properties such as developed land, house and lot, and condominium units. The Group often enters into contracts to sell real properties as they are being developed. The significant judgment used in determining the timing of satisfaction of the Group's performance obligation with respect to its contracts to sell real properties is disclosed in Note 3.1(b). Sales cancellations are accounted for as contract modification on the year of forfeiture. Cumulative revenue and costs recognized on cancelled contracts are reversed in the year of cancellation, and any gain or loss is charged to profit or loss.

- (a) *Real estate sales on pre-completed real estate properties* – Revenue from real estate sales is recognized over time proportionate to the progress of the development. The Group measures its progress based on actual costs incurred relative to the total expected costs to be incurred in completing the development. Revenue recognized from real estate sales is presented as part of Real Estate Sales account under Revenues and Income section in the consolidated statement of comprehensive income.

- (b) *Real estate sales on completed real estate properties* – Revenue from real estate sales is recognized at point in time when the control over the real estate property is transferred to the buyer. Revenue recognized from real estate sales is presented as part of Real Estate Sales account under Revenues and Income section in the consolidated statement of comprehensive income.
- (c) *Hotel operations* – Revenues from room accommodation and services are recognized over time during the occupancy of hotel guest and ends when the scheduled hotel room accommodation has lapsed (i.e., the related room services have been rendered). As applicable, invoices for hotel accommodations are due upon receipt by the customer. For food and beverage, revenue is recognized at a point in time upon delivery to and receipt of food and beverage by the customer.
- (d) *Service income* – Revenue is recognized over time (i.e., time-and-materials basis as the services are provided) until the performance of contractually agreed tasks has been substantially rendered. Service income comprises fees from maintenance of golf course and management fees, comprises fees from maintenance of golf course and management fees.
- (e) *Marketing fees* – Revenue is recognized over time in the same amount to which the entity has the right of invoice to the customer. Any amounts remaining unbilled at the end of the reporting period are presented in the consolidated statement of financial position as receivables as only the passage of time is required before payment of these amounts will be due.

For tax reporting purposes, a modified basis of computing the taxable income for the year based on collections from real estate sales is used by the Company, GEPI, TLC, GEGDI, GNDC, SWEC, and OPI.

Incremental costs of obtaining a contract to sell real property to customers are recognized as Deferred commission under Prepayments and Other Current Assets, and Other Non-current Assets, and is subsequently amortized over the duration of the contract on the same basis as revenue from such contract is recognized.

Other costs and expenses are recognized in profit or loss upon utilization of services or receipt of goods or at the date they are incurred. Finance costs are reported on an accrual basis except capitalized borrowing costs.

Cost of real estate sales include the acquisition of cost of the land, development costs incurred to date and estimated costs to complete the project, determined based on estimates made by the project engineers.

In determining the transaction price, the Group adjusts the contract price for the effects of time value of money when the timing of payments agreed to with the customer provides either party with a significant benefit of financing the transfer of goods or services to the customer. In buyer financing arrangements where buyer payments are ahead of the development of the sold property, the Group recognizes interest expense which is presented as part of Finance cost under Finance Cost and Other Charges in the consolidated statement of comprehensive income. Conversely, in seller financing arrangements where the development of the sold property is ahead of buyer payment terms, the Group recognizes interest income which is presented as part of Finance income under Finance and Other Income in the consolidated statement of comprehensive income.

The Group applies the practical expedient under PFRS 15 where the promised amount of consideration is no longer adjusted for the effects of significant financing component when the Group expects, at contract inception, that the period between when the Group transfers the promised good or service to a customer and when the customer pays for such good or

service will be one year or less. The significant judgment used in determining the existence of significant financing component in the contract is disclosed in Note 3.1(d).

Under its contracts with customers, the Group will receive an unconditional right to payment for the total consideration upon the completion of the development of the property sold. Any rights to consideration recognized by the Group as it develops the property are presented as Contract Assets in the consolidated statement of financial position. Contract assets are subsequently tested for impairment in the same manner as the Group assesses impairment of its financial assets [see Note 2.4(a)].

Any consideration received by the Group in excess of the amount for which the Group is entitled is presented as Contract Liabilities in the consolidated statement of financial position. A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

If the transaction does not yet qualify as contract revenue under PFRS 15, the deposit method is applied until all conditions for recording the sale are met. Pending the recognition of revenue on real estate sale, consideration received from buyers are presented under the Customers' Deposits account in the liabilities section of the consolidated statement of financial position

2.9 Leases

The Group accounts for its leases as follows:

(a) Group as Lessee

The Group amortizes the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognizing a right-of-use asset and lease liability, the payments in relation to these are recognized as an expense in consolidated profit or loss on a straight-line basis over the lease term.

(b) Group as Lessor

The Group applies judgment in determining whether a lease contract is a finance or operating lease.

2.10 Impairment of Non-financial Assets

The Group's investments in associates, investment properties, property and equipment, right-of-use assets and other non-financial assets are subject to impairment testing. All other individual assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.11 Employee Benefits

The Group provides post-employment benefits to employees through a defined benefit plan, defined benefit contribution plans, and other employee benefits. The Group's post-employment defined benefit pension plans covers all regular full-time employees. The pension plans are tax-qualified and non-contributory.

The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method.

2.12 Share-based Employee Remuneration

The Group grants share options to key executive officers eligible under a stock option plan. The services received in exchange for the grant, and the corresponding share options, are valued by reference to the fair value of the equity instruments granted at grant date. This fair value excludes the impact of non-market vesting conditions (for example profitability and sales growth targets and performance conditions), if any. The share-based remuneration is recognized as an expense in profit or loss with a corresponding credit to retained earnings.

The expense is recognized during the vesting period based on the best available estimate of the number of share options expected to vest. The estimate is subsequently revised, if necessary, such that it equals the number that ultimately vests on vesting date. No subsequent adjustment is made to expense after vesting date, even if share options are ultimately not exercised.

Upon exercise of share option, the proceeds received net of any directly attributable transaction costs up to the nominal value of the shares issued are allocated to capital stock with any excess being recorded as additional paid-in capital.

2.13 Basic and Diluted Earnings per Share

Basic earnings per share (EPS) is computed by dividing consolidated net profit by the weighted average number of common shares issued and outstanding during the period, adjusted retroactively for any stock dividend, stock split or reverse stock split declared during the current period.

Diluted EPS is computed by adjusting the weighted average number of common shares outstanding to assume conversion of potentially dilutive shares.

2.14 Borrowing Costs

Borrowing costs, which consists of interest and other costs that the Group incurs in connection with borrowing of funds, are recognized as expenses in the period in which they are incurred, except to the extent that they are capitalized. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset (i.e., an asset that takes a substantial period of time to get ready for its intended use or sale) are capitalized as part of cost of such asset. The capitalization of borrowing costs commences when expenditures for the asset and borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale. Capitalization ceases when substantially all such activities are complete.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Prior to January 1, 2024, borrowing costs are capitalized as part of inventories that are actively being prepared for their intended use or sale. However, starting January 1, 2024, these inventories are no longer considered as qualifying assets, and any related borrowing costs will be expensed as incurred.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS Accounting Standards require management to make judgments and estimates that affect amounts reported in the consolidated financial statements and related notes. Judgments and estimates 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. Actual results may ultimately vary from these estimates.

3.1 Critical Management Judgments in Applying Accounting Policies

In the process of applying the Group's accounting policies, management has made the judgments below and in the succeeding pages, apart from those involving estimation, which have the most significant effect on the amounts recognized in the consolidated financial statements.

(a) Determination of Lease Term of Contracts with Renewal and Termination Options

In determining the lease term, management considers all relevant factors and circumstances that create an economic incentive to exercise a renewal option or not exercise a termination option. Renewal options and/or periods after termination options are only included in the lease term if the lease is reasonably certain to be extended or not terminated.

The lease term is reassessed if an option is actually exercised or not exercised or the Group becomes obliged to exercise or not exercise it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstances occurs, which affects this assessment, and that is within the control of the Group.

The Group determines whether any non-cancellable period or notice period in a lease would meet the definition of a contract and thus, would be included as part of the lease term. A contract would be considered to exist only when it creates rights and obligations that are enforceable.

In assessing the enforceability of a contract, the Group considers whether the lessor can refuse to agree to a request from the Group to extend the lease. In contrast, a lessor's right to terminate a lease is ignored when determining the lease term because, in that case, the lessee has an unconditional obligation to pay for the right to use the asset for the period of the lease, unless and until the lessor decides to terminate the lease.

(b) Evaluation of the Timing of Satisfaction of Performance Obligations

(i) Real Estate Sales

The Group exercises significant judgment in determining whether each performance obligation to develop properties promised in its contracts with customers is satisfied over time or at a point in time.

In making this judgment, the Group considers the following:

- any asset created or enhanced as the Group performs;
- the ability of the customer to control such asset as it is being created or enhanced;
- the timing of receipt and consumption of benefits by the customer; and,
- the Group's enforceable right for payment for performance completed to date.

The Group determines that its performance obligation for pre-completed real estate properties is satisfied over time since it does not have an alternative use of the specific property sold as it is precluded by its contract from redirecting the use of the property for a different purpose. Further, the Group has rights over payment for development completed to date as the Group can choose to complete the development and enforce its rights to full payment under its contracts even if the customer defaults on amortization payments. On the other hand, performance obligation for completed real estate properties is satisfied at a point in time when the control over the real estate property is transferred to the buyer.

(ii) Hotel Operations

The Group determines that its revenue from hotel operations shall be recognized over time. In making its judgment, the Group considers the timing of receipt and consumption of benefits provided by the Group to the customers. The Group provides the services without the need of reperformance of other companies. This demonstrates that the customers simultaneously receive and consume the benefits of the Group's rendering of hotel services as it performs.

In determining the appropriate method to use in recognizing the Group's revenues from food, beverage and other consumer goods, management assesses that revenue is recognized at a point in time when the control of the goods has passed to the customer, i.e. generally when the customer acknowledged delivery of goods. The service component of the restaurant operations is deemed as an insignificant cause on the timing of satisfaction of performance obligation since it is only passage of time until the customer receives and consumes all the benefits after delivery of the food and beverage items.

(iii) Service and Other Income

The Group determines that its revenue from services shall be recognized over time. In making its judgment, the Group considers the timing of receipt and consumption of benefits provided by the Group to the customers. The Group applies the practical expedient to recognize revenue at the amount to which it has a right to invoice, which corresponds directly to the value to the customer of the entity's performance completed to date i.e., generally when the customer has acknowledged the Group's right to invoice.

(iv) Forfeited Collections and Deposits

The Group determines that its revenue from forfeited collections and deposits shall be recognized at point in time in the year the contract was cancelled.

(c) Determining Existence of a Contract with Customer

The Group uses judgment in evaluating the probability of collection of contract price on real estate sales as a criterion for revenue recognition.

In a sale of real estate properties, the Group's primary document for a contract with a customer is a signed contract to sell which is executed when the real estate property sold is either at the pre-selling stage or completed and ready for use by customer. In rare cases wherein contract to sell are not executed by both parties, management has determined that the combination of other signed documentations with the customers such as reservation agreement, official receipts, computation sheets and invoices, would contain all the elements to qualify as contract with the customer (i.e., approval of the contract by the parties, which has commercial substance, identification of each party's rights regarding the goods or services and the related payment terms). Moreover, as part of the evaluation, the Group assesses the probability that the Group will collect the consideration to which it will be entitled in exchange for the real estate property that will be transferred to the customer.

In evaluating whether collectability of an amount of consideration is probable, the Group considers the significance of the customer's downpayment in relation to the total contract price [see Note 3.1(e)].

Collectability is also assessed by considering factors such as past history with the customer and pricing of the property. Management regularly evaluates the historical

cancellations and back-outs if it would still support its current threshold of customers' equity before commencing revenue recognition.

(d) Determination of the Existence of the Significant Financing Component in the Contract

The Group enters into real estate sales contracts offering various payment schemes to its customers. The timing of transaction price collection can significantly differ from the timing of the Group's fulfillment of its performance obligations. The Group exercises judgment in determining whether the contract terms provide a significant financing benefit to either the Group or its customers. This assessment is conducted at the inception of the contract, considering the contractual payment terms and the projected completion timeline of the related real estate development.

(e) Determination of Collection Threshold for Revenue Recognition

The Group uses judgment in evaluating the probability of collection of transaction price on real estate sales as a criterion for revenue recognition. The Group uses historical payment pattern of customers and number of sales cancellation in establishing a percentage of collection threshold over which the Group determines that collection of the transaction price is reasonably assured. Reaching this level of collection is an indication of buyer's continuing commitment and the probability that economic benefits will flow to the Group. The Group considers that the initial and continuing investments by the buyer when reaching the set collection threshold would demonstrate the buyer's commitment to pay the total contract price.

(f) Determination of ECL on Trade and Other Receivables, Contract Assets and Advances to Related Parties

The Group uses a provision matrix to calculate ECL for trade and other receivables and contract assets. The provision rates are based on days past due for group of various customer segments that have similar loss patterns (i.e., product type, customer type, and coverage by letters of guarantee and other forms of credit insurance).

The provision matrix is based on the Group's historical observed default rates. The Group's management intends to regularly calibrate (i.e., on an annual basis) the matrix to consider the historical credit loss experience with forward-looking information (i.e., forecast economic conditions).

With respect to Advances to Related Parties and other related party receivables, the Group uses the liquidity approach as the receivables are collectible on demand.

(g) Distinction among Investment Properties and Owner-occupied Properties

The Group determines whether an asset qualifies as an item of investment properties or owner-occupied property. In making its judgment, the Group considers whether the property generates cash flows largely independently of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to property but also to other assets used in the operations of the Group or for administrative purposes.

Some properties comprise a portion that is held to earn rental or for capital appreciation and another portion that is held for administrative purposes. If these portions can be sold separately (or leased out separately under finance lease), the Group accounts for the portions separately. If the portions cannot be sold separately, the property is accounted for as investment properties 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 properties. The Group considers each property separately in making its judgment.

(h) *Distinction Between Real Estate Inventories and Investment Properties*

Residential and condominium units comprise properties that are held for sale in the ordinary course of business. Meanwhile, investment properties comprise of land and buildings which are not occupied substantially for use by, or in the operations of, the Group, nor for sale in the ordinary course of business, but are held primarily to earn rental income and capital appreciation. The Group considers management's intention over these assets in making its judgment.

(i) *Evaluation of Change in Use for Transfers to, or from, Investment Properties*

The transfers to, or from, investment properties are made when and only when there is a change in use for such property. A mere change in management's intention does not provide sufficient evidence of such a change. Therefore, management exercises judgment in assessing whether the definition of investment property is met by evaluating all relevant facts and circumstances to determine if there is substantive evidence supporting a change in use.

(j) *Determination of Significant Influence over Entities in which the Group Holds Less than 20% Ownership*

The Group determines whether significant influence exists over an investee company over which the Group holds less than 20% of the investee's capital stock. The Group considers the ability to influence the operating and financial policies of the investee, representation on the board of directors of the investee, provision of essential technical information for the development of the various projects of these investees, and routine participation in management decisions in making its judgment.

Based on management's judgment, the Group considers that it has significant influence over NPI since it has BOD representation which allows them to participate in the financial and operating policy decisions but has no control or joint control of those policies (see Note 1.2).

(k) *Consolidation of Entities in which the Company Holds 50% Ownership or Less*

Management considers that the Group has de facto control over OPI even though it does not hold more than 50% of the ordinary shares and voting rights of this subsidiary due to the factors discussed below.

The Group holds 50% equity interest over OPI and has: (1) the ability to direct the relevant activities of the subsidiary; (2) the rights to variable returns from its involvement with the subsidiary; and, (3) the ability to use its power to affect its returns from its involvement with the subsidiary. Based on management's judgment, the Company has control over OPI; hence, the said subsidiary was consolidated in the financial statements of the Group.

(l) *Distinction Between Operating and Finance Leases*

The Group has entered into various lease agreements. Critical judgment was exercised by management to distinguish each lease agreement as either an operating or finance lease by looking at the transfer or retention of significant risk and rewards of ownership of the properties covered by the agreements. Failure to make the right judgment will result in either overstatement or understatement of assets and liabilities. Based on management assessment, the Group's lease agreements, as lessor, are classified either operating or finance leases.

(m) *Recognition of Provisions and Contingencies*

Provisions are recognized when present obligations will probably lead to an outflow of economic resources and they can be estimated reliably even if the timing or amount of the outflow may still be uncertain. A present obligation arises from the presence of a legal or constructive obligation that has resulted from past events.

Where the possible outflow of economic resource as a result of present obligations is considered improbable or remote, or the amount to be provided for cannot be measured reliably, no liability is recognized in the financial statements. Similarly, possible inflows of economic benefits to the Group that do not yet meet the recognition criteria of an asset are considered contingent assets; hence, are not recognized in the financial statements. On the other hand, any reimbursement that the Group can be virtually certain to collect from a third party with respect to the obligation is recognized as a separate asset not exceeding the amount of the related provision.

Judgment is exercised by management to distinguish between provisions and contingencies.

3.2 Key Sources of Estimation Uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period are discussed below and in the succeeding pages.

(a) Determination of Appropriate Discount Rate in Measuring Lease Liabilities

The Group measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using the effective interest rate on the most recent loan. Since the date of the availment is near the initial date of application, management is satisfied that the selected rate reflects the risks specific to the Group.

(b) Business Combinations

On initial recognition, the assets and liabilities of the acquired business and the consideration paid for them are included in the consolidated financial statements at their fair values. In measuring fair value, management uses estimates of future cash flows and discount rates. Any subsequent change in these estimates would affect the amount of goodwill if the change qualifies as a measurement period adjustment. Any other change would be recognized in profit or loss in the subsequent period.

(c) Revenue Recognition for Performance Obligations Satisfied Over Time

In determining the amount of revenue to be recognized for performance obligations satisfied over time, the Group measures progress on the basis of actual costs incurred relative to the total expected costs to complete such performance obligation. Specifically, the Group estimates the total development costs with reference to the project development plan and any agreement with customers. Management regularly monitors its estimates and apply changes as necessary. A significant change in estimated costs would result in a significant change in the amount of revenue recognized in the year of change.

(d) Determination of Appropriate Discount Rate in Measuring Significant Financing Component

In the sale of real estate properties, the transaction price is recognized at the present value of the installment payments discounted to the date the entity expects to satisfy its performance obligation.

When adjusting the consideration for significant financing component, an entity shall use the discount rate that would be reflected in a separate financing transaction at

contract inception. Management considers the discount rate which would reflect the credit characteristics of the party receiving financing in the contract as well as any collateral or security provided by the customer or entity.

Specifically, for contracts classified as ‘seller financing,’ the Group bases its lending rate on the rate extended to buyers who utilize its in-house financing. This lending rate is adjusted to reflect the specific circumstances of each financing transaction. For contracts classified as ‘buyer financing,’ the Group estimates the discount rate using a borrowing rate that would be consistent with a separate financing transaction where the Group is considered the borrower.

(e) *Estimation of Allowance for ECL*

The measurement of the allowance for ECL on financial assets at amortized cost is an area that requires the use of significant assumptions about the future economic conditions and credit behavior (e.g., likelihood of customers defaulting and the resulting losses). Explanation of the inputs, assumptions and estimation used in measuring ECL.

(f) *Determination of Net Realizable Value of Inventories*

In determining the net realizable value (NRV) of inventories, management takes into account the most reliable evidence available at the times the estimates are made. The future realization of the carrying amounts of these assets is affected by price changes in the different market segments as well as the trends in the real estate industry. These are considered key sources of estimation and uncertainty and may cause significant adjustments to the Group’s inventories within the next reporting period. In evaluating net realizable value of inventories, recent market conditions and current market prices have been considered.

(g) *Fair Value of Stock Options*

The Group estimates the fair value of the executive stock option by applying an option valuation model, taking into account the terms and conditions on which the executive stock option was granted. The estimates and assumptions used, which include, among other things, the option’s time of expiration, applicable risk-free interest rate, expected dividend yield, volatility of the Company’s share price and fair value of the Company’s common shares. Changes in these factors can affect the fair value of stock options at grant date.

(h) *Estimation of Useful Lives of Investment Properties, Property and Equipment and Right-of-use Assets*

The Group estimates the useful lives of investment properties, property and equipment and right-of-use assets based on the period over which the assets are expected to be available for use. The estimated useful lives of investment properties, property and equipment, and right-of-use assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Based on management’s assessment as at December 31, 2025 and 2024, there are no changes in the estimated useful lives of those assets as of the end of the reporting periods. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(i) *Determination of Realizable Amount of Deferred Tax Assets*

The Group reviews its deferred tax assets at the end of each reporting period and reduces the carrying amount to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Management assessed that the deferred tax assets recognized as at December 31, 2025

and 2024 will be fully utilized within the prescribed period of availment. The carrying value of deferred tax assets as of those dates is disclosed.

(j) *Impairment of Non-financial Assets*

Impairment review is required to be performed when certain impairment indicators are present. Though management believes that the assumptions used in the estimation of fair values reflected in the consolidated financial statements are appropriate and reasonable, significant changes in these assumptions may materially affect the assessment of recoverable values and any resulting impairment loss could have a material adverse effect on the results of operations.

There were no impairment losses were recognized on investment properties, property and equipment, and right-of-use assets and other non-financial assets for the years ended December 31, 2025, 2024 and 2022.

(k) *Valuation of Post-employment Defined Benefit Obligation*

The determination of the Group's obligation and cost of post-employment defined benefit is dependent on the selection of certain assumptions used by actuaries in calculating such amounts. Those assumptions include, among others, discount rates and salary rate increase. A significant change in any of these actuarial assumptions may generally affect the recognized expense, other comprehensive income or losses and the carrying amount of the retirement benefit obligation in the next reporting period.

The amounts of retirement benefit obligation and expense and an analysis of the movements in the estimated present value of post-employment benefit, as well as the significant assumptions used in estimating such obligation.

(l) *Fair Value Measurement of Investment Properties*

Investment properties is measured using the cost model. The Group determines the fair values of building and building improvements earning rental income through discounted cash flows valuation technique since the information on current or recent prices of assumptions underlying the discounted cash flow approach of investment properties is not available. The Group uses assumptions that are mainly based on market conditions existing at the end of each reporting period, such as: the receipt of contractual rentals; expected future market rentals; void periods; maintenance requirements; and appropriate discount rates.

These valuations are regularly compared to actual market yield data and actual transactions by the Group and those reported by the market. The expected future market rentals are determined on the basis of current market rentals for similar properties in the same location and condition.

For land and land development and improvements, the Group determines the fair value of land through appraisals by independent valuation specialists using market-based valuation approach where prices of comparable properties are adequate for specific market factors such as location and condition of the property.

A significant change in these elements may affect prices and the value of the assets.

4. **Segment revenue and segment results for business segments or geographical segments, whichever is the enterprise's primary basis of segment reporting.**

The following table present revenue and income information for the 1st quarter ended March 31, 2026 and March 31, 2025.

March 31, 2026

(Amount in thousands)

	Sales of Real Estate	Hotel Operations	Rentals and Services	Total
Revenue	₱1,591,049	₱149,836	₱219,872	₱1,960,757
Cost	555,580	69,044	88,997	713,621
Gross profit	₱1,035,469	₱ 80,792	₱130,875	₱1,247,136

March 31, 2025

(Amount in thousands)

	Sales of Real Estate	Hotel Operations	Rentals and Services	Total
Revenue	₱1,447,025	₱297,999	₱213,495	₱1,958,519
Cost	619,307	102,130	98,425	819,862
Gross profit	₱ 827,718	₱195,869	₱115,070	₱1,138,657

5. Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the period.
There have been no material events that happened subsequent to the interim period that need disclosure herein.
6. Effect of changes in the composition of the enterprise during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operation.
Not applicable.
7. Changes in contingent liabilities or contingent assets since the last annual balance sheet date
The Company is a party to certain lawsuits or claims arising from the ordinary course of business and from several of its joint venture agreements. The Group's management and legal counsels believe that the eventual liabilities under these lawsuits or claims, if any, will not have a material effect on the consolidated financial statements, and thus, no provision has been made for these contingent liabilities.
8. Existence of material contingencies and any other events or transactions that are material to an understanding of current interim period.
There have been no material contingencies and any other events or transactions that are material to an understanding of current interim period.
9. Any events that will trigger direct or contingent financial obligations that is material to the company, including any default or acceleration of an obligation.

There have been no events that will trigger direct or contingent financial obligations that is material to the company, including any default or acceleration of an obligation.

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

There have been no material off-balance sheet transactions and other relationships of the company with unconsolidated entities or other persons created during the reporting period.

11. Dividends paid separately for ordinary shares and other shares

Not applicable.

12. Seasonality or cyclicity of interim operations

Not applicable

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

Not applicable

14. Issuances, repurchases, and repayments of debt and equity securities

There have been no issuance, repurchase and repayment of debt and equity securities for the period.

RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's financial instruments comprise of cash, short-term bank deposits and investments.

Exposures to credit and liquidity risk arise in the normal course of the Group's business activities. The main objectives of the Group's financial risk management are as follows:

1. To identify and monitor such risks on an ongoing basis;
2. To minimize and mitigate such risks; and
3. To provide a degree of certainty about costs.

Credit Risk

The investment of the Group's cash resources is managed so as to minimize risk while seeking to enhance yield. The Group's holding of cash and marketable securities expose the Group to credit risk of the counterparty if the counterparty is unwilling or unable to fulfill its obligations, and the Group consequently suffers financial loss. Credit risk management involves entering into financial instruments only with counterparties with acceptable credit standing. The treasury policy sets aggregate credit limits of any one counterparty and annually reviews the exposure limits and credit ratings of the counterparties. The Group has credit management policies in place to ensure that rental contracts are entered into with customers who have sufficient financial capacity and good credit history.

Sales to buyers of real estate which are collectible on installment are relatively risk-free. Sales to real estate buyers are documented under Contract to Sell agreements which allow cancellation of the sale and forfeiture of payments made in the event of default by buyers. Transfer of title is made to buyers only upon full payment of the account.

Receivable balances are being monitored on a regular basis to ensure timely execution of necessary intervention efforts.

Liquidity Risk

The Group manages its liquidity needs by carefully monitoring scheduled debt servicing payments for long-term financial liabilities as well as cash outflows due in a day-to-day business. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week, as well as on the basis of a rolling 30-day projection. Long-term needs for a six-month and one-year period are identified monthly.

The Group maintains cash to meet its liquidity requirements for up to 60-day periods. Excess cash is invested in time deposits or short-term marketable securities. Funding for long-term liquidity needs is additionally secured by an adequate amount of committed credit facilities and the ability to sell long-term financial assets.

Interest Rate Risk

The Group has no significant exposure to interest rate risk as some financial assets and liabilities are fixed-interest bearing.

Foreign Exchange Risk

Most of the Group's transactions are carried out in Philippine pesos, its functional currency. The currency exchange rates arise from Group's United States (U.S.) dollar-denominated cash and cash equivalents.

Management assessed that the foreign currency risks related to these U.S. dollar-denominated cash and cash equivalents to be not material.

CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's capital management objectives are to ensure the Group's ability to continue as a going concern and to provide an adequate return to shareholders.

The Group sets the amount of capital in proportion to its overall financing structure, i.e., equity and financial liabilities. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the carrying amount of equity as presented on the face of the consolidated statements of financial position. Capital for the reporting periods under review is summarized as follows:

(Figures in thousands)

	<u>March 2026</u>	<u>December 2025</u>
Total Liabilities	P 22,334,270	P 21,915,924
Total Equity	<u>43,412,004</u>	<u>42,750,361</u>
Debt-to-equity ratio	<u>0.51:1</u>	<u>0.51:1</u>

CATEGORIES AND FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. In determining the fair value of its financial assets and liabilities, the Company takes into account its current circumstances and the costs that would be incurred to exchange or settle the underlying financial assets and liabilities.

The carrying amounts and fair value of the categories of financial assets and liabilities presented in the consolidated financial statement of financial position are shown below:

Figures in thousands

	<u>March 31, 2026</u>		<u>December 31, 2025</u>	
	<u>Carrying</u>	<u>Fair</u>	<u>Carrying</u>	<u>Fair</u>
	<u>Values</u>	<u>Values</u>	<u>Values</u>	<u>Values</u>
Financial assets				
Financial assets at amortized cost:				
Cash and cash equivalents	P 2,273,526	P 2,273,526	P 2,268,418	P 2,268,418
Trade and other receivables - net	14,843,560	14,843,560	14,695,074	19,918,723
Advances to real property owner	1,133,054	1,133,054	1,135,472	1,135,472
Advances to related parties	683,682	683,682	957,291	957,291
Refundable deposits	89,326	89,326	87,537	87,537
	<u>P 19,023,148</u>	<u>P 19,023,148</u>	<u>P 19,143,79222</u>	<u>P 24,367,441</u>
Financial liabilities				
Financial liabilities at amortized cost:				
Interest bearing loans and borrowings	P 9,154,625	P 9,154,625	P 9,588,327	P 10,591,049
Trade and other payables	5,202,506	5,202,506	4,849,229	4,849,229
Advances from related parties	636,696	636,696	600,226	600,226
Due to joint venture partners	451,298	451,298	476,974	476,974
Retention Payable	865,210	865,210	844,154	844,154
Lease liabilities	621,828	621,828	620,803	620,803
	<u>P 16,932,163</u>	<u>P 16,932,163</u>	<u>P 16,979,713</u>	<u>P 17,982,435</u>

See notes to financial statements 2.4 and 2.10 for a description of the accounting policies for each category of financial instrument. A description of the Group's risk management objectives and policies for financial instruments is provided in page 26. The Group does not actively engage in the trading of financial assets for speculative purposes.

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of March 31, 2026

(Amount in Thousands)

Annex A-1

		Unaudited As of March 31, 2026	Audited As of December 31, 2025
ASSETS			
CURRENT ASSETS			
Cash and Cash equivalents	P	2,273,526 P	2,268,418
Trade and other receivables - net		13,884,654	12,101,662
Contract assets		3,170,967	3,084,755
Advances to real property owners		68,796	81,052
Advances to related parties		683,682	957,291
Inventories - net		21,289,017	21,277,247
Prepayments and other current assets - net		4,585,860	4,301,540
Total Current Assets		45,956,502	44,071,965
NON-CURRENT ASSETS			
Trade and other receivables - net		2,327,207	4,077,837
Contract assets		1,684,346	847,954
Advances to real estate property owners		1,064,258	1,054,420
Investment in associates - net		731,056	731,056
Investment Properties - net		12,062,798	11,972,032
Property and equipment - net		806,407	802,769
Right-of-use asset		276,402	285,768
Other non-current assets		837,298	822,484
Total Non-current Assets		19,789,772	20,594,320
TOTAL ASSETS	P	65,746,274 P	64,666,285
LIABILITIES AND EQUITY			
CURRENT LIABILITIES			
Interest bearing loans and borrowings	P	2,017,871 P	1,859,047
Trade and other payables		5,465,829	5,253,583
Contract liabilities		539,197	217,630
Due to joint venture partners		451,298	476,974
Customer's deposit		496,127	381,550
Advances from related parties		636,696	600,226
Lease Liabilities		50,013	48,987
Total Current Liabilities		9,657,031	8,837,997
NON-CURRENT LIABILITIES			
Interest bearing loans and borrowings		7,136,755	7,729,279
Contract liabilities		240,747	152,591
Customer's deposit		116,825	156,059
Deferred tax liabilities-net		3,723,609	3,597,633
Retirement benefit obligation		212,783	215,629
Lease Liabilities		571,815	571,815
Other non-current liabilities		674,705	654,921
Total Non-current Liabilities		12,677,239	13,077,927
Total Liabilities		22,334,270	21,915,924
EQUITY			
Equity attributable to parent company's shareholder		36,610,022	36,011,498
Non-controlling interest		6,801,982	6,738,863
Total Equity		43,412,004	42,750,361
TOTAL LIABILITIES AND EQUITY	P	65,746,274 P	64,666,285

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD 1Q2026 VS. 1Q2025
(Amount in Thousands)

Annex A-2

	Unaudited 1Q 2026 Jan - Mar		Unaudited 1Q 2025 Jan - Mar	
REVENUES				
Real estate sales	P	1,591,049	P	1,447,025
Rental income		163,468		143,569
Hotel operations		149,836		297,999
Service income		56,404		69,925
Marketing fees		23,550		32,646
Finance and other income		204,996		257,491
		<u>2,189,303</u>		<u>2,248,655</u>
COST AND EXPENSES				
Real estate sales		555,580		619,307
Cost of rentals and services		88,997		98,425
Cost of hotel operations		69,044		102,130
Operating expenses		495,369		445,041
Finance costs and other charges		137,452		157,054
Income tax expense		193,473		183,795
		<u>1,539,915</u>		<u>1,605,752</u>
Net Profit (Loss)		649,388		642,903
Other Comprehensive Income (Loss)				
Revaluation reserve		<u>-</u>		<u>-</u>
Total Comprehensive Income (Loss)		<u>649,388</u>		<u>642,903</u>
Net profit (loss) attributable to:				
Parent Company's shareholder		586,269		569,014
Non-controlling interest		<u>63,119</u>		<u>73,889</u>
		<u>649,388</u>		<u>642,903</u>
Total Comprehensive Income(loss) attributable to:				
Parent Company's shareholders		586,269		569,014
Non-controlling interest		<u>63,119</u>		<u>73,889</u>
	P	<u>649,388</u>	P	<u>642,903</u>
Earnings per share		0.0534		0.0518

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amount in Thousands)

Annex A -3

		As of March 31, 2026	As of March 31, 2025
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF PARENT COMPANY			
CAPITAL STOCK	P	10,986,000	P 10,986,000
ADDITIONAL PAID IN CAPITAL		4,747,739	4,747,739
REVALUATION RESERVE		74,490	70,710
RETAINED EARNINGS		20,801,793	18,980,006
		36,610,022	34,784,455
MINORITY INTEREST		6,801,982	6,582,520
TOTAL STOCKHOLDERS' EQUITY	P	43,412,004	P 41,366,975

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOW

(Amounts in Thousands)

Annex A-4

	As of March 31, 2026		As of March 31, 2025	
Net Income before tax	P	842,861	P	826,698
Add(less)				
Finance cost		96,094		79,010
Depreciation and amortization		103,897		90,376
Finance income		(13,775)		(110,792)
Operating Income(loss) before working capital changes		1,029,077		885,292
Net Changes in Operating Assets and Liabilities				
Decrease(Increase) current and non current asset		(1,431,280)		(1,024,846)
(Decrease)Increase current and non current liabilities		890,730		139,357
Cash paid for income taxes		(5,617)		(7,026)
Interest paid		(171,197)		(148,167)
Cash from(used in) Operating Activities		311,713		(155,390)
Cash from(used in) Investing Activities		96,384		(187,377)
Cash from (used in) Financing Activities		(402,989)		(423,218)
Net Increase (decrease) in cash and cash equivalent		5,108		(765,985)
Cash and cash equivalent at the beginning of the year		2,268,418		2,294,242
Cash and cash equivalent at the end of the period	P	2,273,526	P	1,528,257

GLOBAL-ESTATE RESORTS, INC. AND SUBSIDIARIES
 AGING OF ACCOUNTS RECEIVABLE

As of March 31, 2026
 (Amounts in Thousands)

Annex A-5

Aging of Accounts Receivable

Type of receivables:	TOTAL	CURRENT/NOT YET DUE	Not more than 3 months	More than 3 months but not more than 6 months	More than 6 months but not more than 1 year	More than 1 year
a. Trade/Other Receivable	16,211,861	14,659,805	219,925	217,587	533,254	581,290
Net Receivable	16,211,861					

ANNEX “E”

DISCLOSURE REQUIREMENTS UNDER SECTION 49 OF THE RCC

Global-Estate Resorts, Inc.

DISCLOSURE REQUIREMENTS UNDER SECTION 49 OF THE REVISED CORPORATION CODE

<i>List of Required Information</i>	<i>Source/Reference</i>
a) The minutes of the most recent regular meeting which shall include, among others:	
(1) A description of the voting and vote tabulation procedures used in the previous meeting	Please refer to the Minutes of the Annual Stockholders Meeting held on 26 June 2025, which is uploaded in the Company's website. https://geri.com.ph/wp-content/uploads/2025/07/Draft-GERI-ASM-Minutes-26-June-2025.pdf
(2) A description of the opportunity given to stockholders or members to ask questions and a record of the questions asked and answers given	Please refer to the Minutes of the Annual Stockholders Meeting held on 26 June 2025, which is uploaded in the Company's website.
(3) The matters discussed and resolutions reached	Please refer to the Minutes of the Annual Stockholders Meeting held on 26 June 2025, which is uploaded in the Company's website.
(4) A record of the voting results for each agenda item	Please refer to the Minutes of the Annual Stockholders Meeting held on 26 June 2025, which is uploaded in the Company's website.
(5) A list of the directors or trustees, officers and stockholders or members who attended the meeting	Please refer to the Minutes of the Annual Stockholders Meeting held on 26 June 2025, which is uploaded in the Company's website.
(6) Such other items that the Commission may require in the interest of good corporate governance and the protection of minority stockholders.	Please refer to the Minutes of the Annual Stockholders Meeting held on 26 June 2025, which is uploaded in the Company's website.
b) Material information on the current stockholders, and their voting rights	Please refer to Part I, Item B, Item 4 on Voting Securities and Principal Holders Thereof of the Information Statement (Pages 9-11).
c) A detailed, descriptive, balanced and comprehensible assessment of the corporation's performance, which shall include information on any material change in the corporation's business, strategy, and other affairs	Please refer to the following documents which are attached to the Information Statement: (1) Part of Financial Information in the Company's Management Report (Pages13-34) [Annex "B"); (2) 2025 Audited Consolidated Financial Statement (Annex "C"); (3) Quarterly Report for the period ending March 31, 2026 (Annex "D").
d) A financial report for the preceding year, which shall include financial statements duly signed and certified in accordance with this Code and the rules the Commission may prescribe, a statement on the adequacy of the corporation's internal controls or risk management systems, and a statement of all external audit and non-audit fees	Please refer to the 2025 Audited Consolidated Financial Statement attached as Annex "C" of the Information Statement.

<i>List of Required Information</i>	<i>Source/Reference</i>
e) An explanation of the dividend policy and the fact of payment of dividends or the reasons for nonpayment thereof	Please refer to the portions on Dividends in the Company's Management Report (Pages 35-36) that is attached to the Information Statement as Annex "B".
f) Director or trustee profiles which shall include, among others, their qualifications and relevant experience, length of service in the corporation, trainings and continuing education attended, and their board representations in other corporations	Please refer to Part I, B, Item 5 Directors and Executive Officers (pages 13-19) of the Information Statement.
g) A director or trustee attendance report, indicating the attendance of each director or trustee at each of the meetings of the board and its committees and in regular or special stockholder meetings	Kindy refer to Part I, B, Item 6 Compensation of Directors and Officers, particularly the last sentence under the heading "Directors" (Pages 22-23) of the Information Statement.
h) Appraisals and performance reports for the board and the criteria and procedure for assessment	Please refer to the portion on Discussion on Compliance with Leading Practice on Corporate Governance in the Company's Management Report (Page 36-37) that is attached to the Information Statement as Annex "B".
i) A director or trustee compensation report prepared in accordance with this Code and the rules the Commission may prescribe	Please refer to Part I, B, Item 6 Compensation of Directors and Officers (Pages 20-22) of the Information Statement.
j) Director disclosures on self-dealings and related party transactions	Please see Page 20 of the Information Statement pertaining to "Certain Relationships and Related Transactions"
k) The profiles of directors nominated or seeking election or reelection.	Please refer to Part I, B, Item 5 Directors and Officers (Pages 13-19) of the Information Statement.