CR03277-2026

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 20-IS

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

1. Check the appropriate box:

☐ Preliminary Information Statement

☑ Definitive Information Statement

2. Name of Registrant as specified in its charter

EMPIRE EAST LAND HOLDINGS, INC.

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

Metro Manila, Philippines

4. SEC Identification Number

AS094-006430

5. BIR Tax Identification Code

3-942-108

6. Address of principal office

2F The Paddington Place 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City

Postal Code

1552

7. Registrant's telephone number, including area code

(632) 88678351/85544800

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

09 June 2026, 8:30 a.m. by livestream access via http://empire-east.com/asm2026

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

May 12, 2026

10. In case of Proxy Solicitations:

Name of Person Filing the Statement/Solicitor

Not applicable

Address and Telephone No.

Not applicable

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

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	14,676,199,167

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

☑ Yes ☐ No

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

Philippine Stock Exchange - Common

Empire East

Empire East Land Holdings, Inc.

ELI

PSE Disclosure Form 17-5 - Information Statement for Annual or Special Stockholders' Meeting

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

Date of Stockholders' Meeting	Jun 9, 2026
Type (Annual or Special)	Annual
Time	8:30 AM
Venue	by livestream access via http://empire-east.com/asm2026
Record Date	May 11, 2026

Inclusive Dates of Closing of Stock Transfer Books

Start Date	N/A
End date	N/A

Other Relevant Information
Please see attached Definitive Information Statement of Empire East Land Holdings, Inc.

Filed on behalf by:

Name	Krizelle Marie Poblacion
Designation	Legal Counsel

SECURITIES AND EXCHANGE COMMISSION
SEC FORM 20-1S
INFORMATION STATEMENT PURSUANT TO SECTION 20 OF THE SECURITIES REGULATION CODE

1. Check the appropriate box:

   [ ] Preliminary Information Statement
   [X] Definitive Information Statement

2. Name of Registrant as specified in its charter **EMPIRE EAST LAND HOLDINGS, INC.**

3. **Metro Manila, Philippines**
   Province, country or other jurisdiction of incorporation or organization

4. SEC Identification Number **AS094-006430**

5. BIR Tax Identification Code **003-942-108**

6. **2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City, Metro Manila, Philippines** **1552**
   Address of principal office Postal Code

7. Registrant's telephone number, including area code **(632) 88678351/85544800**

8. **09 June 2026, 8:30 a.m.**
   by livestream access via http://empire-east.com/asm2026
   Date, time and place of the meeting of security holders

9. Approximate date on which the Information Statement is first to be sent or given to security holders:
   12 May 2026

10. In case of Proxy Solicitations:
    Name of Person Filing the Statement/Solicitor: Not applicable
    Address and Telephone No.: Not applicable

11. Securities registered pursuant to Sections 8 and 12 of the Code or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding*
Common	**14,676,199,167**

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

    Yes [X] **No [ ]**

    If yes, disclose the name of such Stock Exchange and the class of securities listed therein:

    Philippine Stock Exchange **Common**

* As of 31 March 2026

Empire East

2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City 1552

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

TO ALL STOCKHOLDERS OF
EMPIRE EAST LAND HOLDINGS, INC.

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of Empire East Land Holdings, Inc. (the "Company") will be held on **09 June 2026** at **8:30 AM**, to be conducted virtually, through the link <http://empire-east.com/asm2026[1]> that can be accessed through the Company's website, with the following Agenda:

1. Call to Order
2. Proof of Notice and Determination of Quorum
3. Approval of Minutes of the Previous Annual Stockholders' Meeting
4. Annual Report of Management
5. Appointment of External Auditors
6. Ratification of Acts and Resolutions of the Board of Directors, Board Committees and Management
7. Election of Directors
8. Other Matters
9. Adjournment

Stockholders of record as of **11 May 2026** will be entitled to notice of, and to vote at, the Annual Meeting.

For our stockholder's convenience and to allow greater opportunity for them to participate at the Annual Meeting, the Company decided to hold the same via remote communication, and allow the stockholders to cast their votes by remote communication or in *absentia,* or by proxy.

To participate in the Annual Meeting, stockholders must register from 9:00 AM of **19 May 2026** until 5:00 PM of **29 May 2026**. The procedure for participation via remote communication and in *absentia* are contained in the Information Statement.

Stockholders who wish to appoint proxies may submit proxy instruments until 5:00 PM of **29 May 2026,** to the Office of the Corporate Secretary at 2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City, or by email to corporatesecretary@empire-east.com. Validation of proxies shall be held on **01 June 2026**. A sample proxy form will be enclosed in the Information Statement for your convenience.

Mandaluyong City, Philippines.

DENNIS E. EDAÑO
Corporate Secretary

[1] The link shall be operational on the date of distribution of the Notice of Meeting and Information Statement to the stockholders.

EXPLANATION OF AGENDA ITEMS

1. **Call to Order**

   The meeting will be formally opened at approximately 8:30 A.M. in the morning.

2. **Proof of Notice and Determination of Quorum**

   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, and the stockholders representing at least a majority of the outstanding capital stock, present in person or by proxy, shall constitute a quorum for the transaction of business.

   Pursuant to Sections 57 and 23 of the Revised Corporation Code which allows voting *in absentia*, stockholders may register by submitting requirements via email at corporatesecretary@empire-east.com and vote *in absentia* on the matters for resolution at the meeting. A stockholder who votes in absentia as well as a stockholder participating by remote communication shall be deemed present for purposes of quorum.

   The complete information on remote participation or voting in absentia, as well as on how to join the livestream for the 2026 ASM, are provided in the Information Statement.

3. **Approval of Minutes of the Previous Annual Meeting**

   The minutes of the meeting held on 10 June 2025 will be endorsed for stockholders' approval, A copy of the minutes is available at the Company's website, www.empire-east.com, and shall be provided in the Information Statement.

4. **Annual Report of Management**

   The performance of the Company in 2025 and the outlook for 2026 will be reported.

5. **Appointment of External Auditors**

   The appointment of Punongbayan & Araullo as the external auditor of the Company for the ensuing year will be endorsed to the stockholders for approval. The external auditor conducts an independent verification of the Company's financial statements and provides an objective assurance of the accuracy of its financial statements.

6. **Ratification of Acts and Resolutions of the Board of Directors, Board Committees, and Management**

   The ratification of acts and resolutions of the Board of Directors, Board Committees and Management will be sought for this meeting. The actions of the Board and its Committees were those taken from the Annual Stockholders' Meeting on 10 June 2025 until 08 June 2026. These include the approval of agreements, permit applications, treasury-related matters, actions pertaining to the day-to-day management of the Company and its projects, and matters covered by disclosures to the Securities and Exchange Commission and The Philippine Stock Exchange. The acts of Management were those taken to implement the resolutions of the Board or its Committees or made in the general conduct of business.

7. **Election of Directors**

   Nominees for the election of seven (7) members of the Board of Directors, including two (2) independent directors, will be submitted for election by the stockholders. The profiles of the nominees to the Board of Directors are provided in the Information Statement.

8. **Other Matters**

Other concerns or matters raised by stockholders, if any, will be discussed.

9. **Adjournment**

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

SAMPLE ONLY

PROXY

EMPIRE EAST LAND HOLDINGS, INC.
2026 ANNUAL STOCKHOLDERS' MEETING

I/WE hereby name and appoint,____, or in his absence, the Chairman of the meeting, as my/our proxy at the Annual Stockholders' Meeting of **EMPIRE EAST LAND HOLDINGS, INC.** ("Empire East") to be held on 09 June 2026 and/or at any postponement or adjournment thereof, and/or any Annual Stockholders' Meeting of Empire East, which appointment shall not exceed five (5) years from date hereof.

In particular, I/we hereby direct my said proxy to vote all my/our shares on the agenda items set forth below as I/we have expressly indicated by marking the same with an "X" or "✓".

Items No.	**Subject**	**Action**		
		For	**Against**	**Abstain**
3.	Approval of the Minutes of the Previous Annual Meeting held on 10 June 2025			
5.	Appointment of External Auditors			
6.	Ratification of Acts and Resolutions of the Board of Directors, Board Committees and Management			
7.	Election of Directors			
	a. Andrew L. Tan			
	b. Anthony Charlemagne C. Yu			
	c. Enrique Santos L. Sy			
	d. Kevin Andrew L. Tan			
	e. Lino P. Victorioso, Jr.			
	f. Cresencio P. Aquino – Independent Director			
	g. Sergio R. Ortiz-Luis, Jr. – Independent Director			
FULL DISCRETION				

______________________________ ______________________________
PRINTED NAME OF STOCKHOLDER AUTHORIZED SIGNATORY

THIS PROXY MUST BE SUBMITTED BEFORE 5:00 PM OF 29 MAY 2026, TO THE OFFICE OF THE CORPORATE SECRETARY AT 2F THE PADDINGTON PLACE, 632 SHAW BOULEVARD, BARANGAY HIGHWAY HILLS, MANDALUYONG CITY OR BY EMAIL TO CORPORATESECRETARY@EMPIRE-EAST.COM.

THIS PROXY, WHEN PROPERLY EXECUTED, WILL BE VOTED IN THE MANNER AS DIRECTED HEREIN BY THE STOCKHOLDER(S). IF NO DIRECTION IS MADE, THIS PROXY WILL BE VOTED FOR THE ELECTION OF ALL NOMINEES AND FOR THE APPROVAL OF THE 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. A PROXY IS ALSO CONSIDERED REVOKED IF THE STOCKHOLDER ATTENDS THE MEETING IN PERSON AND EXPRESSED HIS INTENTION TO VOTE IN PERSON.

THIS PROXY DOES NOT NEED TO BE NOTARIZED.

(Partnerships, Corporations and Associations must attach certified resolutions designating their proxies/representatives and authorized signatories)

INFORMATION STATEMENT

A. GENERAL INFORMATION

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

Date of meeting	:	09 June 2026
Time of meeting	:	8:30 a.m.
Place of meeting	:	To be called and presided by the Presiding Officer at the principal office of the Company at 2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City 1552, and to be conducted virtually by remote communication via http://empire-east.com/asm2026[2]
Approximate distribution date of this statement	:	12 May 2026[3]
Complete mailing address of the principal office of the registrant	:	2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City 1552

Empire East Land Holdings, Inc. (the "Company") is not soliciting proxies. We are not asking you for a proxy. Neither are you required to send us a proxy.

Item 2. Dissenters' Right of Appraisal

Any stockholder of the Company shall have the right to dissent and demand payment of the fair value of his shares in the following instances: (1) in case any amendment to the articles of incorporation has the effect of changing or restricting the rights of any stockholders or class of shares, or of authorizing preferences in any respect superior to those of outstanding shares of any class, or of extending or shortening the term of corporate existence; (2) in case the corporation decides to invest its funds in another corporation or business or for any purpose outside of the primary purpose for which it was organized; (3) in case of a sale, lease, exchange, transfer, mortgage, pledge or other disposition of all or substantially all of the corporate property and assets; and (4) in case of merger or consolidation.

The appraisal right may be exercised by any stockholder who shall have voted against the proposed corporate action, by making 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. A stockholder must have voted against the proposed corporate action in order to avail himself of the appraisal right. Failure to make the demand within the 30-day period shall be deemed a waiver of the appraisal right. From the time of the demand until either the abandonment of the corporate action in question or the purchase of the dissenting shares by the Company, all rights accruing to the dissenting shares shall be suspended, except the stockholder's right to receive payment of the fair value thereof. If the proposed corporate action is implemented or effected, the Company shall pay to such stockholder, upon surrender of the stock

[2]. The link shall be operational on the date of distribution of the Notice of Meeting and Information Statement to the stockholders.
[3]. Pursuant to Art. 1, Sec. 3 of the Amended By-Laws and the SEC Notice dated 11 March 2026, digital copies of the Information Statement, Management Report, Annual Report, and other relevant documents will be made available at the Company's website: http://empire-east.com/asm2026 and through the PSE Edge.

certificate(s) representing his shares, the fair value thereof as of the day prior to the date on which the vote was taken, excluding any appreciation or depreciation in anticipation of such corporate action.

If the fair value is not determined, within sixty (60) days from the date the corporate action was approved by the stockholders, it will be determined by three (3) disinterested persons (one chosen by the Company, another chosen by the dissenting stockholder and the third to be chosen jointly by the Company and the stockholder). 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 is made. Upon payment by the Company of the awarded price, the dissenting stockholder shall forthwith transfer his shares to the Company.

No payment shall be made to any dissenting stockholder unless the Company has unrestricted retained earnings.

There is no proposed corporate action or matter in the agenda for the Company's 2026 Annual Stockholders' Meeting that will grant appraisal rights pursuant to the Revised Corporation Code of the Philippines to dissenting stockholders. The proposed amendments to the Articles of Incorporation and By-Laws will not have the effect of changing or restricting the rights of any stockholder or class of shares, or of authorizing preferences in any respect superior to those outstanding shares of any class, or of extending or shortening the term of corporate existence.

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

No director or officer of the Company, or any nominee for election as a director of the Company, or any associate thereof, has any substantial interest, direct or indirect, by security holdings or otherwise, in any matter to be acted upon, other than election to office.

No director of the Company has informed it in writing that he intends to oppose any action to be taken by the Company at the annual meeting of stockholders.

B. CONTROL AND COMPENSATION INFORMATION

Item 4. Voting Securities and Principal Holders Thereof

Number of Shares Outstanding

As of 31 March 2026, the Company has 14,676,199,167 outstanding shares of common stock. Each common share shall be entitled to one (1) vote.

Record Date of Meeting

All owners on record of the Company's common shares as of 11 May 2026 will be entitled to notice of, and to vote at, the Annual Stockholders' Meeting.

Manner of Voting

Pursuant to Sections 23 and 57 of the Revised Corporation Code and SEC Memorandum Circular No. 06, Series of 2020 allowing voting through remote communication or in absentia, stockholders may now participate in the 2026 Annual Stockholders' Meeting by remote communication and cast their votes in absentia. A stockholder may cast his/her votes by remote communication or *in absentia* until 5:00 pm of 29 May 2026. A stockholder voting remotely or *in absentia* shall be deemed present for purposes of quorum. Please refer to **Annex "A**" on the Procedures and Requirements for Voting and Participation in the 2026 Annual Stockholders' Meeting for complete information on voting via remote participation or voting in absentia, as well as on how to join the livestream for the 2026 Annual Stockholders' Meeting.

Cumulative Voting Rights

Each share shall be entitled to one (1) vote with respect to all matters to be taken up during the Annual Stockholders' Meeting. With respect to the election of the members of the Board of Directors of the

Company, each stockholder shall have cumulative voting rights. 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.

The Company is not soliciting any proxy or any discretionary authority to cumulate votes.

Security Ownership of Record and Beneficial Owners of more than 5% of the Company's Shares of Common Stock as of 31 March 2026

Title of Class	Name, Address of Record Owner, and Relationship with Issuer	Name of Beneficial Owner and Relationship with Record Owner	Citizenship	Number of Shares Held	Percent of Class
Common	Megaworld Corporation 30th Floor, Alliance Global Tower, 11th Avenue cor. 36 Street, Uptown Bonifacio, Taguig City, Stockholder; Parent Company	Megaworld Corporation The beneficial owner of Megaworld Corporation is Mr. Andrew L. Tan.	Filipino	11,994,426,438[4]	81.727%
Common	PCD Nominee Corporation (Filipino) G/F Makati Stock Exchange Bldg., 6767 Ayala Avenue, Makati City, Stockholder	The shares registered in the name of PCD Nominee Corporation (Filipino) are either beneficially owned by the participants of the PCD composed of custodian banks and brokers or held by them in trust for their clients.	Filipino	2,052,757,685[5]	13.987%

Other than the persons identified above, there are no other beneficial owners of more than 5% of the Company's outstanding capital stock that is known to the Company.

Security Ownership of Management as of 31 March 2026

Title of Class	Name of Beneficial Owner	Amount/Nature of Beneficial Ownership	Citizenship	Percent of Class
Directors				
Common	Andrew L. Tan	24,277,777 (direct)	Filipino	0.165422%
		11,994,426,438[6] (indirect)	Filipino	81.727062%
		149,692,820[7] (indirect)	Filipino	1.019970%
		56,000,000[8] (indirect)	Filipino	0.381570%
		26,655,000[9] (indirect)	Filipino	0.181621%
Common	Anthony Charlemagne C. Yu	1 (direct)	Filipino	0.000000%
Common	Kevin Andrew L. Tan	1 (direct)	Filipino	0.000000%
Common	Enrique Santos L. Sy	11,892 (direct)	Filipino	0.000081%
Common	Lino P. Victorioso, Jr.	1 (direct)	Filipino	0.000000%

[4] This comprises of: (i) 11,993,426,438 shares directly held by Megaworld Corporation, and (ii) 1,000,000 shares owned by Megaworld Corporation and lodged with PCD Nominee Corporation.
[5] This excludes 1,000,000 shares beneficially owned by Megaworld Corporation.
[6] The shares are held by Megaworld Corporation had authorized Andrew L. Tan, in his capacity as Chairman of the Board, or in his absence the Chairman of the Meeting, to vote Megaworld's common shares in the Company.
[7] The shares are held by The Andresons Group, Inc. of which Andrew L. Tan is a controlling shareholder.
[8] The shares are held by Alliance Global Group, Inc. of which Andrew L. Tan is a controlling shareholder.
[9] The shares are held by Gilmore Property Marketing Associates, Inc. of which Andrew L. Tan is a controlling shareholder.

Common	Cresencio P. Aquino	1 (direct)	Filipino	0.000000%
Common	Sergio R. Ortiz-Luis, Jr.	1 (direct)	Filipino	0.000000%
President and Four Most Highly Compensated Officers				
Common	Anthony Charlemagne C. Yu	Same as above		
Common	Lino P. Victorioso, Jr.	Same as above		
Common	Jhoanna Lyndelou T. Llaga	0	Filipino	n/a
Common	Dennis E. Edaño	0	Filipino	n/a
Common	Celeste Z. Sioson-Bumatay	0	Filipino	n/a
Other Executive Officers				
Common	Giovanni C. Ng	0	Filipino	n/a
Common	Franemil T. Ramos	0	Filipino	n/a
Common	Kim Camille B. Manansala	0	Filipino	n/a
Common	Cosca Camille M. Tuason	0	Filipino	n/a
Common	Gemma O. Romero	0	Filipino	n/a
Common	Rudolf Ryan B. Capor	0	Filipino	n/a
Common	All directors and executive officers as a group	24,289,674 (direct)	Filipino	0.165504%

Voting Trust Holders of 5% or More

The Company has no knowledge of any person holding more than five percent (5%) of the Company's shares of common stock under a voting trust or similar agreement.

Changes in Control

No change in control of the Company has occurred since the beginning of its last fiscal year. The Company has no knowledge of any existing arrangements that may result in a change in control of the Company.

Item 5. Board of Directors and Executive Officers

Background of Directors and Executive Officers

There are seven (7) members of the Company's Board of Directors, two (2) of whom are independent directors. All incumbent directors were elected during the Annual Stockholders'' Meeting held on 10 June 2025, and will hold office for one (1) year and/or until their successors are elected and qualified. The Certification on the connection of the directors/officers with any government agencies or its instrumentalities is attached hereto as **Annex "B".**

Information concerning the background of the directors and executive officers of the Company is provided on pages 24 to 27 of the Company's Management Report.

Procedure for Nomination and Election of Independent Directors

Pursuant to Article II, Section 2 of the Company's Amended By-Laws, the nomination and election of independent directors shall be conducted in accordance with the Securities Regulation Code ("SRC") Rule 38. SRC Rule 38 provides that the nomination and election of independent directors shall be conducted in accordance with the following rules:

1. Nomination of independent directors shall be conducted by the Corporate Governance Committee, acting as Nomination Committee, prior to the Annual Stockholders' Meeting. All recommendations shall be signed by nominating stockholders and shall bear the conformity of the nominees.

2. The Corporate Governance Committee shall pre-screen the nominees and prepare a final list of candidates.

3. The final list of candidates shall contain the business and/or professional experience of the nominees for independent directors, which list shall be made available to the Securities and Exchange Commission ("SEC" or the "Commission") and to all stockholders through the filing and distribution of the Information Statement, in accordance with SRC Rule 20, or in such other reports

the Company is required to submit to the Commission. The name of the person or group of persons who recommended the nominees for independent directors shall be identified in such report including any relationship to the nominees.

4. Only nominees whose names appear in the final list of candidates shall be eligible for election as independent directors. No other nominations shall be entertained after the final list of candidates shall have been prepared. No further nominations shall be entertained or allowed on the floor during the actual Annual Stockholders' Meeting.

5. The conduct of the election of independent directors shall be made in accordance with the standard election procedures of the Company in its By-Laws, subject to pertinent laws, rules and regulations of the Commission.

6. It shall be the responsibility of the Chairman of the Meeting to inform all stockholders in attendance of the mandatory requirement of electing independent directors. He shall ensure that independent directors are elected during the stockholders' meeting.

7. In case of failure of election for independent directors, the Chairman of the Meeting shall call a separate election during the same meeting to fill up the vacancy.

Nominees

Directors are elected annually by the stockholders at the Annual Stockholders' Meeting to serve until the election and qualification of their successors.

Each stockholder has the right to nominate any director who possess all the qualifications and none of the disqualifications set forth under the Revised Corporation Code. The Corporate Governance Committee, composed of Cresencio P. Aquino as Chairman, Sergio R. Ortiz-Luis, Jr. and Enrique Santos L. Sy as members, accepts nominees to the Board of Directors, including nominees for independent directors. The Committee is responsible for screening and qualifying the list of nominees.

The following is the complete and final list of nominees and candidates for members of the Board of Directors:

	NAME	AGE[10]	CITIZENSHIP	CUMULATIVE PERIOD OF DIRECTORSHIP IN THE COMPANY
1.	Andrew L. Tan	76	Filipino	31 years
2.	Anthony Charlemagne C. Yu	63	Filipino	28 years
3.	Enrique Santos L. Sy	76	Filipino	16 years
4.	Kevin Andrew L. Tan	46	Filipino	10 years
5.	Lino P. Victorioso, Jr.	46	Filipino	2 years
6.	Cresencio P. Aquino – (Independent Director)	72	Filipino	8 years
7.	Sergio R. Ortiz-Luis, Jr. – (Independent Director)	82	Filipino	3 years

Information concerning the background of the candidates for members of the Board of Directors of the Company is provided on pages 24 to 27 of the Company's Management Report.

Independent Directors

This year's nominees for directors include two persons who qualify as independent directors.

Stockholder, Mr. Carmelo Jose J. Canto III, nominated incumbent independent director, Mr. Cresencio P. Aquino, for another term. Stockholder, Ms. Maria Rosario Justo, nominated incumbent independent director, Mr. Sergio R. Ortiz-Luis, Jr., for another term.

[10] As of 31 March 2026.

Ms. Justo and Messrs. Canto, Aquino and Ortiz-Luis are not related by consanguinity or affinity up to the fourth civil degree.

Copies of the Certifications of the Independent Directors are attached hereto as **Annex "C".**

Disagreements 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 Stockholders' Meeting because of a disagreement with the Company on any matter relating to the Company's operations, policies, or practices.

Significant Employees

While the Company values its workforce, the business of the Company is not highly dependent on the services of personnel outside of Senior Management.

Family Relationships

Chairman Andrew L. Tan and Mr. Kevin Andrew L. Tan, both directors of the Company, are father and son, respectively.

Material Pending Legal Proceedings

The Company is not aware of the occurrence, as of the date hereof and during the past five (5) years preceding this date, of any of the following events which it believes to be material to the evaluation of the ability or integrity of any of its directors, nominees for election as director, or executive officers:

1. Any bankruptcy petition filed by or against any business of a director, nominee for election as director, or executive officer who was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;

2. Any director, nominee for election as director, or executive officer being convicted by final judgment in a criminal proceeding, domestic or foreign, or being subject in his personal capacity to a pending criminal proceeding, domestic or foreign, excluding traffic violations and other minor offenses;

3. Any director, nominee for election as director, or executive officer being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, domestic or foreign, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities, commodities or banking activities; and

4. Any director, nominee for election as director, or executive officer being found by a domestic or foreign court of competent jurisdiction (in a civil action), the Commission or comparable foreign body, or a domestic or foreign exchange or other organized trading market or self-regulatory organization, to have violated a securities or commodities law or regulation, and the judgment has not been reversed, suspended, or vacated.

In addition, neither the Company nor any of its subsidiaries or affiliates or any of their properties are involved in or the subject of any material pending legal proceedings which would have a material adverse effect on the business or financial position of the Company or any of its subsidiaries or affiliates, or any of its or their properties.

Related Party Transactions

The Company adopts a policy of full disclosure with regard to related party transactions. Disclosure of relationship or association is required to be made before entering into transaction. Directors, officers and key management personnel involved in the related party transaction shall have no participation in the approval of the transaction. None of the Company's directors and officers have entered into self-dealing and related party transactions with or involving the Company in 2025.

All related party transactions are conducted in a fair and at arm's length basis.

The Company, in the normal course of business, enters into transactions with related companies primarily consisting of lease of properties and advances for real estate transactions, working capital requirements, and other business-related purposes. In 2025, total commissions earned by a subsidiary from the sale of its Parent Company's real estate properties amounted to Php38.8 million. Rental for leased properties and interest on interest-bearing advances are within market rates. The related parties that have entered into transactions with the Company are identified in Schedules C & E of the SEC Supplementary Schedules as of December 31, 2025. Related parties are able to settle their obligations in connection with transactions with the Company. The Company does not foresee risks or contingencies arising from these transactions. Additional information on related party transactions is provided in Note 25 of the Notes to the Audited Consolidated Financial Statements of the Group attached as Exhibit 1 hereof and incorporated herein by reference.

Other than those disclosed in the Company's Audited Consolidated Financial Statements, the Company has not entered into other related party transactions.

Item 6. Compensation of Directors and Executive Officers

Compensation of Certain Officers

The total annual compensation paid to the President/CEO and four most highly compensated executive officers of the Company amounted to Php56,924,982 and Php53,929,021 in 2025 and 2024, respectively. The projected total annual compensation of the named executive officers for 2026 is Php59,750,521.

Compensation of Directors

The members of the Board of Directors of the Company receive a standard per diem for attendance in board meetings. The Company paid a total of Php925,000 and Php875,000 for directors' per diem in 2025 and 2024, respectively.

Name of Directors	Year	Salary	Total Annual Director's Per Diem
Andrew L. Tan		Per diem	
Cresencio P. Aquino		Per diem	
Anthony Charlemagne C. Yu		Per diem	
Kevin Andrew L. Tan		Per diem	
Enrique Santos L. Sy		Per diem	
Lino P. Victorioso, Jr.		Per diem	
Sergio R. Ortiz-Luis, Jr.		Per diem	
Total Annual Director's Per Diem	2024		875,000
	2025		925,000
	2026		925,000 *

*For 2026, the amount indicated is only an allocation and may be subject to change.

Apart from directors' per diem, there are no other arrangements, such as consulting contracts, pursuant to which any director of the Company was compensated, or is to be compensated, directly or indirectly, during the Company's last completed fiscal year, and the ensuing year, for any service provided as a director.

Summary of Compensation Table

The following table identifies the President and the four most highly compensated officers of the Company and summarizes their aggregate compensation in 2024 and 2025 and estimated aggregate compensation for 2026:

Name and Principal Position	Year	Salary	Others Variable Pay	Total Annual Compensation
Anthony Charlemagne C. Yu *President & CEO*				
Lino P. Victorioso, Jr. *Chief Financial Officer and Chief Information Officer*				
Jhoanna Lyndelou T. Llaga *Senior Vice President for Marketing and Chief Marketing Officer*				
Dennis E. Edaño *Chief Risk Officer, Corporate Secretary and First Vice President for Legal and Corporate Affairs*				
Celeste S. Bumatay *Compliance Officer, Asst. Corporate Secretary and First Vice President for Credit and Collection*				
President and 4 Most Highly Compensated Officers	2024	47,702,510	6,226,511	53,929,021
	2025	48,389,310	8,535,672	56,924,982
	2026	50,808,776	8,941,745	59,750,521
All Other Officers and Directors as a Group	2024	39,677,508	5,402,360	45,079,868
	2025	27,265,494	5,277,873	32,543,367
	2026	28,583,076	5,510,794	34,093,870

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

Executive officers are appointed by the Board of Directors to their respective offices. Certain executive officers are employees of the Company and are entitled to standard employee benefits extended by the Company to the employees.

Other than benefits available under the Company's retirement plan, there is no compensatory plan or arrangement with respect to an executive officer which results or will result from the resignation, retirement, or any other termination of such executive officer's employment with the Company and its subsidiaries, or from a change-in-control of the Company, or a change in an executive officer's responsibilities following a change-in-control of the Company.

Outstanding Warrants and Options

There are no outstanding warrants or options in respect of the Company's shares that are held by the Company's CEO, or any director or executive officer of the Company.

Item 7. Independent Public Accountants

The Board of Directors of the Company, in consultation with the Audit Committee, composed of Cresencio P. Aquino, as Chairman and Sergio R. Ortiz-Luis, Jr. and Lino P. Victorioso, Jr. as members, will recommend to the stockholders the engagement of Punongbayan & Araullo as external auditors of the Company for 2026.

The Company complied with SRC Rule 68, as amended, as prescribed by the Code of Ethics for Professional Accountants as adopted by the Board of Accountancy and the Professional Regulation Commission, and the

Company's Manual on Corporate Governance, which requires that the Company's external auditor be rotated or the engagement partner changed after seven (7) years of engagement. A five-year cooling-off period shall be observed in the re-engagement of the same engagement partner. In this regard, starting the year ending 31 December 2023, Mr. Edcel U. Costales, one of the Audit and Assurance Partners of Punongbayan and Araullo (P&A), was designated as the engagement partner for the audit of the Company's financial statements. Mr. Renan A. Piamonte, also one of the Audit and Assurance Partners of P&A, handled the audit of the Company's financial statement for the past seven years from 2016 to 2022.

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.

Representatives of Punongbayan & Araullo are expected to be present at the Annual Stockholders' Meeting. 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.

Item 8. Compensation Plans

No action is to be taken 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 will be presented for stockholders' approval at the Annual Stockholders' Meeting with respect to the authorization or issuance of any securities otherwise than for exchange for outstanding securities of the Company.

Item 10. Modification or Exchange of Securities

No action will be presented for stockholders' approval at the Annual Stockholders' Meeting which involves the modification of any class of the Company's securities, or the issuance of one class of the Company's securities in exchange for outstanding securities of another class.

Item 11. Financial Information

The Consolidated Audited Financial Statements of the Company and its subsidiaries as of 31 December 2025 and 2024 and Management's Discussion and Analysis of Results of Operations and Financial Condition for the corresponding periods are contained in the Company's 2025 Annual Report to stockholders, and are incorporated herein by reference.

Item 12. Mergers, Consolidations, Acquisitions and Similar Matters

There is no action to be taken with respect to mergers, consolidations, acquisitions, sales or other transfers of all or any substantial part of the assets of the Company, liquidation or dissolution of the Company, and similar matters.

Item 13. Acquisition or Disposition of Property

No action will be presented for stockholders' approval at the Annual Stockholders' Meeting which involves the acquisition or disposition of any property.

Item 14. Restatement of Accounts

No action will be presented for stockholders' approval at the Annual Stockholders' Meeting which involves the restatement of any of the Company's assets, capital or surplus account.

D. OTHER MATTERS

Item 15. Action with Respect to Reports

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

1. Approval of Minutes of the Previous Annual Meeting held on 10 June 2025, a copy of the minutes is attached hereto as **Annex "D".**

2. Report of Management

3. Appointment of External Auditors

4. Ratification of all resolutions of the Board of Directors and the Board Committees and acts of Management adopted during the period covering 10 June 2025 through 08 June 2026.These include, among others, the following matters:

   a. Execution of Contracts and Appointment of Contract Signatories
   b. Appointment of Proxies and Nominees
   c. Application for Permits and Licenses for Projects
   d. Operation of Bank Accounts and other Bank Transactions
   e. Development and Operation of Projects
   f. Application for, and Renewal of, Corporate Permits, Licenses and Accreditations
   g. Holding of 2026 Annual Meeting of Stockholders

5. Election of Directors

<u>Requirements under Section 49 of the Revised Corporation Code of the Philippines</u>

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

There is no action to be taken with respect to any matter which is not required to be submitted to a vote of security holders.

Item 17. Other Proposed Action

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

Item 18. Voting Procedures

<u>Vote Required</u>

1. In the election of directors, the seven (7) nominees garnering the highest number of votes will be elected as members of the Board of Directors, provided that there shall always be at least two (2) independent directors in the Company's Board of Directors.

2. For the amendment of the Articles of Incorporation, the affirmative vote of at least two-thirds (2/3) of the outstanding capital stock of the Company shall be required to approve the same.

3. For all other matters submitted to a vote, a majority vote of the stockholders is necessary for the approval of such matter.

<u>Method of Counting of Votes</u>

Each common share entitles the person in whose name it is registered in the books of the Company to one vote with respect to all matters to be taken up during the annual meeting of stockholders. In the election of directors, each holder of common share 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 his shares shall equal, or he may 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.

There will be seven (7) persons to be elected to the Company's Board of Directors, including two (2) independent directors. Stockholders may cast their votes by remote communication or in *absentia,* or by proxy. A stockholder who votes in absentia, as well as a stockholder participating by remote communication shall be deemed present for purposes of quorum. Please refer to **Annex "A**" on the Procedures and Requirements for Voting and Participation in the 2026 Annual Stockholders' Meeting for complete information on voting via remote participation or voting in absentia, as well as on how to join the livestream for the 2026 Annual Stockholders' Meeting.

The Company shall provide, without charge, to each stockholder a copy of its annual report on SEC Form 17-A, upon written request addressed to Empire East Land Holdings, Inc., Attention: The Corporate Secretary, 2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City 1552.

[Signature page follows.]

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 the City of Mandaluyong on 08 May 2026.

EMPIRE EAST LAND HOLDINGS, INC.

By:

LINO P. VICTORIOSO, JR.
Chief Financial Officer and
Chief Information Officer

Empire East

MANAGEMENT REPORT

BUSINESS OF THE COMPANY

Business Development

Empire East Land Holdings, Inc. (the "Company" or "Empire East") was incorporated under Philippine law on July 15, 1994. Prior to its incorporation, the Company was a division of Megaworld Corporation (formerly, Megaworld Properties & Holdings, Inc.) and was then known as its Community Housing Division. In 1994, Megaworld Corporation decided to spin off its Community Housing Division into what is now the Company, for the purpose of separating its high-end residential and office business from its lower and middle-income housing business. As of December 31, 2025, Megaworld holds 81.7% interest in the Company.

As of December 31, 2025, the Company holds 100% equity interest in Eastwood Property Holdings, Inc. (EPHI); Valle Verde Properties, Inc. ("VVPI"); Sherman Oak Holdings, Inc. ("SOHI") Empire East Communities, Inc. ("EECI") and 20th Century Nylon Shirt Co., Inc. ("20th Century"); 72.5% in Laguna BelAir Science School, Inc. ("LBASSI"); 60% in Sonoma Premier Land, Inc. ("SPLI") (formerly, "Galleria Corsini Holdings, Inc."); 47% in Gilmore Property Marketing Associates, Inc. ("GPMAI"); and 40% in Pacific Coast Megacity Inc. ("PCMI").

EPHI, which was incorporated on September 5, 1996, serves as the marketing arm of the Company and markets the projects of the Company and those of other related parties.

VVPI was incorporated on October 13, 2006. In 2008, the Company acquired shares of VVPI from another stockholder increasing the Company's ownership in VVPI to 100%.

SPLI was incorporated on February 26, 2007. In 2008, 200 million shares in SPLI were acquired by the Company, increasing its ownership to 60% from 20%.

EECI was incorporated on October 14, 2008 and is wholly owned by the Company. It acts as a marketing arm of the Company.

SOHI was incorporated on February 2, 2007. In January 2008, the Company acquired 100% ownership in SOHI.

GPMAI was incorporated on September 5, 1996 to acquire, lease, and construct or dispose of properties. In 2010, the Company acquired 52% ownership in GPMAI by subscribing to 27M shares by way of conversion of advances into equity. In 2012, GPMAI issued 5M shares of stock to a third party which resulted in the decrease of the Company's ownership to 47%.

LBASSI (formerly Laguna Bel Air School Inc. or LBASI) is a company incorporated on February 13, 1996 and was operating a school for primary and secondary education. The change in name was approved in August 2013. In 2022, LBASSI ceased its operations. The Company owns 72.5% of LBASSI.

20th Century was incorporated in 1952. On January 24, 2003, the SEC approved the extension of the Company's life for another 50 years from the date of renewal. In February 2015, the company acquired 100% ownership interest in 20th Century.

PCMI was incorporated in 2012. In 2015 the Company acquired 20% ownership interest. Subsequently in 2018, the Company obtained de facto control over PCMI. In 2019, it acquired an additional 20% increase in its ownership interest to 40%.

Neither the Company nor its subsidiaries (collectively the "Group") have been the subject of a bankruptcy, receivership, or similar proceeding or has been involved in any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business except as otherwise stated herein.

General Nature and Scope of Business

Empire East is a publicly listed real estate developer engaged in the planning, development, marketing, and sale of residential communities in key growth areas of Metro Manila and select provinces in Luzon. With 31 years of market leadership, the Company has established a strong presence in the middle-income and upper-middle-income segments of the residential market.

As of year-end 2025, the Company has developed 20 communities, completed 122 residential towers, and delivered more than 21,400 condominium units and 7,800 residential lots. These developments collectively serve approximately 29,200 households, representing an estimated residential population of over 160,000 individuals.

The Company's core product offerings include:

- Mid-rise and high-rise residential condominiums
- Transit-Oriented Developments located near major rail systems and transportation corridors
- Urban resort-themed residential communities
- Master-planned townships and micro-city developments
- House-and-lot and lot-only subdivisions in growth corridors

Empire East continues to focus on two primary residential development concepts:

Transit-Oriented Developments – Strategically located projects positioned within walking distance or close proximity to MRT and LRT stations and major transport nodes, providing residents with mobility, convenience, and enhanced investment value.

Urban Resort and Master-Planned Communities – Integrated developments designed to provide expansive open spaces, landscaped environments, and resort-style amenities within secure and organized communities.

The Company's flagship township, Empire East Highland City, a 22-hectare master-planned elevated community located along Felix Avenue at the Pasig-Cainta boundary, represents the evolution of its township development strategy. The project integrates residential towers, a lifestyle mall, sports and recreational facilities, green open spaces including a man-made forest, and institutional components within a single mixed-use estate.

The Company maintains a 100% completion rate on its residential projects, reflecting its commitment to delivery discipline and long-term brand credibility.

The Company employs a diversified, multi-channel sales and distribution strategy designed to maximize market reach and ensure consistent absorption across its portfolio.

In-House Sales Organization
Empire East maintains a structured in-house sales network composed of Sales Directors, Sales Managers, and accredited Salespersons responsible for both pre-selling and ready-for-occupancy (RFO) inventories.

Specialized Sales Groups
Dedicated internal sales units provide targeted market coverage:

- **Empire East Networks** – Handles provincial and regional sales operations in North Luzon, Central

Luzon, and South Luzon
• **Empire East Communities** – Focuses on project-specific campaigns and localized market penetration

Broker and Partner Accreditation

The Company supplements its in-house salesforce through accredited licensed brokers, independent sales agents, and overseas marketing partners, expanding access to both local and international buyers.

Digital and Hybrid Selling Platforms

Recognizing evolving consumer behavior, the Company continues to strengthen its digital infrastructure, including:

- Fully digitalized reservation and documentation systems
- Virtual project presentations and online sales transactions
- Corporate and project-specific websites
- Targeted digital advertising and social media campaigns
- Virtual tours and online lead-generation platforms

These initiatives are complemented by traditional marketing channels such as on-site presentations, showroom operations, outdoor advertising, and event sponsorships.

The Company continues to refine its distribution framework in response to market dynamics, ensuring operational resilience and sustained sales performance.

Update on Projects

As of year-end 2025, the Company has 11 residential towers under construction and 33 towers in various stages of planning and pre-development across its portfolio.

Empire East Highland City – Pasig City and Cainta, Rizal

The 22-hectare township located along Felix Avenue at the Pasig-Cainta boundary continues to progress as the Company’s largest master-planned development. The estate is designed to feature 37 residential towers integrated with Highland Mall, Highland Park (an 8,000-square-meter elevated park with a church and retail establishments), The Chartered Club, and the man-made Highland Forest. The internal road networks, designed to expand from four to six lanes, have been completed.

The first four residential towers under the Arcadia phase are currently under full-scale construction and are scheduled for turnover in the fourth quarter of 2029. These towers have demonstrated strong market acceptance. The project benefits from its proximity to LRT Line 2 (Marikina Station) and the planned MRT Line 4 (Cainta Junction Station), which will enhance long-term accessibility and value appreciation.

The Paddington Place – Mandaluyong City

This four-tower high-rise Transit-Oriented Development is located along Shaw Boulevard within walking distance of MRT-3 Shaw Boulevard Station. The development integrates retail and office components in the first two levels, and recreational amenities positioned at elevated podium levels. Construction activities continue in accordance with the scheduled timeline, with turnover expected to commence at the end of 2027.

Mango Tree Residences – San Juan City

Strategically located near Greenhills, this premium residential development consists of two completed towers that have been turned over to homeowners, with a limited number of RFO units remaining available. The project is designed with a low-density configuration, limiting the number of units to only 6 to 12 per floor to enhance privacy and exclusivity. Preserved mango trees and landscaped perimeter gardens further complement the development’s residential character.

Covent Garden – Santa Mesa, Manila

Located near LRT-2 V. Mapa Station, this development caters to both end-users and investors targeting the university and rental markets. Both South Residences and North Residences are RFO, with South Residences exhibiting high occupancy levels and North Residences with limited remaining inventory.

Recreational amenities are situated at an elevated level, providing residents with dedicated leisure and open spaces. Unit offerings range from Studio, One-Bedroom, and Two-Bedroom configurations to Bi-Level Suites, addressing a broad spectrum of homeowner and investor preferences.

Kasara Urban Resort Residences – Pasig City

Near C5 Road and Ortigas Central Business District (CBD), this 1.8-hectare resort-themed residential development is characterized by expansive open spaces and water-oriented amenities. Towers 1, 2, 3, and 5 have been completed and are ready for occupancy, while Towers 4 and 6 are currently under construction. The project has limited remaining inventory across both RFO and pre-selling units.

Unit offerings include Studio, One-Bedroom, and Two-Bedroom layouts, as well as Bi-Level Penthouse units. Select units feature private balconies or patios.

The Rochester – Pasig City

This seven-tower mid-rise urban resort community is strategically located near C5 Road and Bonifacio Global City. Designed with Asian Modern architectural elements, the approximately 3-hectare development is centered around a clubhouse complemented by resort-style swimming pools, a multi-purpose court, function rooms, a fitness gym, jogging paths, and landscaped gardens. All towers have been completed and delivered, with the remaining RFO inventory contributing to ongoing sales absorption.

Pioneer Woodlands – Mandaluyong City

This six-tower Transit-Oriented Development is strategically located at EDSA corner Pioneer Street in Mandaluyong City and directly connected to the MRT-3 Boni Station. The development provides residents with immediate access to Metro Manila’s major business districts, including Makati, Ortigas Center, and Bonifacio Global City, as well as key commercial and lifestyle establishments along EDSA. Designed to integrate residential living with transit convenience, the project caters to both end-users and investors seeking accessible urban residences. Towers 1 to 5 have been completed and sold, while Tower 6 remains under construction with limited units available.

Little Baguio Terraces – San Juan City

A four-tower mid- to high-rise residential community strategically located between N. Domingo Street and Aurora Boulevard in San Juan City, this development benefits from its proximity to LRT Line 2 stations, providing residents with convenient access to key educational institutions within the University Belt and Katipunan area, as well as commercial and lifestyle destinations in Greenhills and New Manila. Designed to cater to young professionals, students, and growing families, the project has been fully completed, with limited RFO units remaining available.

San Lorenzo Place – Makati City

This four-tower residential condominium located along EDSA corner Chino Roces Avenue in Makati City is directly connected to the MRT-3 Magallanes Station. Its integrated transit access provides seamless connectivity to Makati Central Business District, Bonifacio Global City, Ortigas Center, and Manila Bay Area. The development also incorporates a podium-level retail mall component, enhancing day-to-day convenience for residents. All towers have been completed and fully sold, reflecting sustained demand for transit-oriented residential developments in prime business districts.

The Cambridge Village – Cainta, Rizal

This 37-tower mid-rise "micro-city" development spans approximately eight hectares along East Bank Road in Cainta, Rizal, near the Pasig City boundary. Designed as a self-contained residential community, the project offers access to major thoroughfares such as Ortigas Avenue Extension and C5 Road, facilitating connectivity to Metro Manila's key business districts. The development integrates residential clusters with retail establishments, open spaces, and community facilities, providing residents with a balanced live-work-play environment. All residential clusters have been completed, with limited RFO units remaining available, ranging from studios, 1-bedroom loft, and 2-bedroom flats.

The Sonoma – Santa Rosa, Laguna

This 50-hectare residential subdivision is within a well-established growth corridor in Southern Luzon. The development offers single-detached homes in a master-planned setting designed to balance suburban tranquility with urban accessibility. Its location provides convenient access to major road networks and commercial centers in Laguna and nearby Metro Manila areas. The community includes a central recreation zone with lifestyle amenities and is complemented by a commercial strip at the entrance, intended to support long-term community sustainability and property value appreciation. Select residential lots remain available, allowing buyers to construct Asian Modern-themed single-detached homes in accordance with subdivision guidelines.

South Science Park – Balayan, Batangas

This 51-hectare mixed-use development is strategically located within the Southern Luzon growth corridor. The project is positioned to contribute to the area's long-term economic activity and community development.

MARKET PRICE OF AND DIVIDENDS ON COMMON EQUITY

The Company's common shares are traded on the Philippine Stock Exchange ("PSE"). The following table sets out, for the periods indicated, the high and low sales prices for the Company's common shares as reported on the PSE:

Year		First Quarter	Second Quarter	Third Quarter	Fourth Quarter
2024	High	0.183	0.191	0.157	0.148
	Low	0.119	0.142	0.126	0.118
2025	High	0.128	0.122	0.126	0.111
	Low	0.104	0.102	0.106	0.103
2026	High	0.115			
	Low	0.095			
3/31/2026 Close		0.096			

Market price of the Issuer's Shares as of 31 March 2025 was ₱0.096 per share.

HOLDERS

As of 31 March 2026, there were 12,214 holders of the Company's common shares. The following table sets forth the twenty largest shareholders of the Company as of 31 March 2026.

Rank	Name of Holder	Number of Shares	Percentage of Ownership
1.	Megaworld Corporation	11,994,426,438[11]	81.727%
2.	PCD Nominee Corporation (Filipino)	2,052,757,685[12]	13.987%
3.	PCD Nominee Corporation (Non-	174,961,306	1.182%

[11] This comprises of: (i) 11,993,426,438 shares directly held by Megaworld Corporation, and (ii) 1,000,000 shares owned by Megaworld Corporation and lodged with PCD Nominee Corporation.
[12] This excludes 1,000,000 shares beneficially owned by Megaworld Corporation.

	Filipino)		
4.	The Andresons Group, Inc.	149,692,820	1.011%
5,	Alliance Global Group, Inc.	56,000,000	0.378%
6.	Andrew L. Tan	24,277,777	0.164%
7.	Simon Lee Sui Hee	16,685,206	0.113%
8.	Ramon Uy Ong	14,950,000	0.101%
9.	Lucio W. Yan	10,350,000	0.070%
10.	Alberto Mendoza and/or Jeanie C. Mendoza	4,444,106	0.030%
11.	Evangeline R. Abdullah	4,324,000	0.029%
12.	George T. Yang	3,675,400	0.025%
13.	Zheng Chang Hua	3,220,000	0.022%
14.	Tiong C. Rosario	3,138,791	0.021%
15.	Maximino S. Uy &/or Lim Hue Hua	3,105,000	0.021%
16.	Luisa Co Li	2,902,908	0.020%
17.	Edward N. Cheok	2,875,000	0.019%
18.	Aboitiz Equity Ventures, Inc.	2,813,843	0.019%
19.	Maximino S. Uy	2,357,500	0.016%
20.	William How	2,300,000	0.016%

DIVIDENDS AND DIVIDENDS POLICY

The 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, that is 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 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 (2/3) of the outstanding capital stock of the shareholders at a shareholders' meeting called for such purpose.

No stock dividends were declared on the Company's common shares from 2007 to 2025. The Company declared a 15% stock dividend on March 15, 2006, which was paid on August 8, 2006 to all shares of common stock outstanding as of July 13, 2006.

The Corporation Code prohibits stock corporations from retaining surplus profits in excess of one hundred percent (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.

RECENT SALES OF UNREGISTERED OR EXEMPT SECURITIES

No sales of unregistered securities were made in the past three (3) years. No debt securities were registered nor contemplated to be registered.

DIRECTORS AND EXECUTIVE OFFICERS

There are seven (7) members of the Company's Board of Directors, two of whom are independent directors. An independent director is a person who, apart from his fees and shareholdings, is independent of management and free from any business or other relationship which could, or could reasonably be perceived to, materially interfere with his exercise of independent judgment in carrying out his responsibilities as a director (SRC Rule 38). All directors were elected during the Annual Stockholders' Meeting held on 10 June 2025 for a term of one year and until their successors are elected and qualified.

Information concerning the background of the directors/nominees for directors, and executive officers of the Company indicating their principal occupation or employment and their business or professional experience for the past five (5) years is provided below.

The table sets forth each member of the Company's Board and Officers as of 31 March 2026.

Name	Age	Citizenship	Position	Date First Elected
Andrew L. Tan	76	Filipino	Chairman of the Board (Non-Executive)	July 1994
Anthony Charlemagne C. Yu	63	Filipino	President/CEO	August 1997
Enrique Santos L. Sy	77	Filipino	Director (Non-Executive)	June 2009
Kevin Andrew L. Tan	46	Filipino	Director (Non-Executive)	June 2015
Lino P. Victorioso, Jr.	46	Filipino	Director	June 2024
Cresencio P. Aquino	72	Filipino	Lead Independent Director	February 2018
Sergio R. Ortiz-Luis, Jr.	82	Filipino	Independent Director	June 2022

The table below sets forth the Company's executive officers as of 31 March 2026.

Name	Age	Citizenship	Present Position
Anthony Charlemagne C. Yu	63	Filipino	President/CEO
Lino P. Victorioso, Jr.	46	Filipino	Chief Financial Officer and Chief Information Officer
Jhoanna Lyndelou T. Llaga	54	Filipino	Senior Vice President for Marketing and Chief Marketing Officer
Franemil T. Ramos	51	Filipino	First Vice President for Management Information System
Dennis E. Edaño	49	Filipino	Chief Risk Officer, Corporate Secretary/ First Vice President for Legal and Corporate Affairs
Celeste Z. Sioson-Bumatay	48	Filipino	Compliance Officer, Assistant Corporate Secretary/First Vice President for Credit and Collection
Cosca Camille M. Tuason	40	Filipino	Assistant Vice President for Human Resources
Kim Camille B. Manansala	35	Filipino	Vice President for Audit and Management Services and Chief Audit Executive
Gemma O. Romero	52	Filipino	Vice President for Project Development, Administration General Services Department
Giovanni C. Ng	51	Filipino	Treasurer
Rudolf Ryan B. Capor	41	Filipino	Assistant Vice President for Project Construction Department

Following is a brief profile of the incumbent directors and executive officers of the Company, indicating their respective business or professional experience for the past five (5) years.

Board of Directors

Andrew L. Tan
Chairman of the Board

Mr. Tan, 76 years old, Filipino, has served as Chairman of the Company's Board of Directors since its incorporation in July 1994. He was also Treasurer of the Company from July 1994 to May 1998. He is the Chairman of the Board of Megaworld Corporation, a publicly listed corporation and the parent company of the Company, and Chairman of other publicly listed companies such as Alliance Global Group, Inc., Emperador Inc., and Global-Estate Resorts, Inc. He pioneered the live-work-play-learn model in real estate development through the Company's integrated township communities, fueling the growth of the business process outsourcing (BPO) industry. He embarked on the development of integrated tourism estates through publicly-listed Alliance Global Group, Inc. and Global-Estate Resorts, Inc., which he both chairs, while continuing to focus on consumer-friendly food and beverage and quick service restaurants. Mr. Tan serves as Chairman of the Board of Suntrust Properties, Inc., a subsidiary engaged in the development and marketing of affordable housing projects. He also serves in the boards of other Megaworld subsidiaries including Eastwood Cyber One Corporation, Megaworld Land, Inc., Megaworld Central Properties Inc., Megaworld Bacolod Properties, Inc., Mactan Oceanview Properties and Holdings, Inc., Megaworld Newport Property Holdings, Inc. and Richmonde Hotel Group International Limited. He is also the Chairman Emeritus of Emperador Inc., a publicly-listed company which owns Emperador Distillers, Inc., the leading brandy manufacturer and distributor in the Philippines. Mr. Tan is Chairman Emeritus of Megaworld Foundation, the Company'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 food and beverage companies, Emperador Distillers, 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.

Anthony Charlemagne C. Yu
Director/President/CEO

Atty. Yu, 63 years old, Filipino, has been a member of the Company's Board of Directors since August 1997 and has served as President and CEO of the Company for the same period. He joined Megaworld Land, Inc. in July 1996 and served as its Vice President until July 1997. Mr. Yu obtained his Bachelor of Arts degree major in Political Science from the Ateneo de Manila University and his Juris Doctor degree from the University of the Philippines. He holds a Master's Degree from the University of London. He also holds a Master of Laws (LLM) degree from the University of California at Berkeley. He has also undertaken further studies in Advanced Finance in the University of Michigan. Atty. Yu previously worked for Ten Knots Development Corporation where he served as Vice President for Corporate and Legal Affairs and was a member of both its Executive and Management Committees. He also worked as a Legal Associate in one of the country's largest and most active law firms then, and served as Special Legal Counsel to the Secretary of Health, Dr. Juan Flavier. He also served as a Consultant in the Senate of the Philippines. Atty. Yu is a Professor of Law in the College of Law of the University of the Philippines. He was a member of the University Faculty of the Ateneo de Manila University for many years, and sat on the Board of the Institute of the Philippine Culture of the Ateneo de Manila University. He is presently the Chair of a committee of the Board of the Ateneo de Manila University. He was also a Founding Faculty of the College of Law of De La Salle University, and was a Professor of Law at the Lyceum College of Law. He is presently the Chairperson of the Board of Trustees of World Wide Fund for Nature – WWF Philippines, which works to improve Filipino lives by crafting solutions to climate change, providing sustainable livelihood programs, and conserving the country's richest marine and terrestrial habitats. He was a member of the Philippine Delegation to the Integrated Environmental Management Forum held in Israel. Atty. Yu was also a member of the Regional Network of Legal Experts on Marine Pollution of a multilateral agency, and sat in the Board of Trustees of Management Advancement Systems, Association, Inc. He served as the Chairman of the Board and President of the Philippine Science-assisted school, Laguna BelAir Science School, Inc. He is the President of the El Nido Foundation, an NGO that promotes sustainable development and environmental protection in northern Palawan. He is a Trustee of Culion Foundation, a social development organization that primarily supports undertakings on the prevention and control of selected communicable and infectious diseases, reproductive health, and micro-enterprise development. He has served as the Chairman of the ERDA Group of Foundations, which promotes educational assistance to the marginalized sectors of society, including street children. He was also a member of the Board of Trustees of IBON Foundation, a non-profit research and education development institution that provides socio-economic research and analysis on people's issues to various sectors. He also sits in the Board of NVC Foundation - Negrense Volunteers for Change, an organization that fights hunger and poverty by providing proper nutrition for poor children, as well as sustainable livelihood opportunities for their families. He is also a member of the Board of AHA! Learning Center, an NGO that supports public school children in various ways. He also sits as a member of the Board of Kaya Natin Movement for Good Governance and Ethical Leadership (Kaya Natin), which promotes good governance and ethical leadership in the Philippines. Atty. Yu is also President and/or Director of Empire East Communities, Inc., Megaworld Central Properties, Inc., Sherman Oak Holdings, Inc., Sonoma Premier Land, Inc., Valle Verde Properties, Inc. and Megaworld Newport Property Holdings, Inc. He has been appointed by the Supreme Court to be a member of the Ad Hoc Committee for the Formulation of the Special Rules of Procedure on Anti-Terrorism Cases, the Judicial Committee on Sustainability and Environmental

Concerns, the Technical Working Group to draft the Amended Rules on Mandatory Continuing Legal Education of 2025, the Technical Working Group to Study the Freedom Writs (Writ of Habeas Corpus and Writ of Amparo), the Technical Working Group to Amend the Rules on Special Proceedings of the Rules of Court, the Technical Working Group for the Training and Capacity Building of Judges for the Implementation of the Anti-Terrorism Act of 2020 and Related Laws, and the Technical Working Group on Public Interest Lawyering, Alternative Lawyering, Developmental Legal Aid, and Legal Aid, among others. He has also served as a resource person of the Supreme Court's Technical Working Group on The New Code of Judicial Conduct. He was also a resource speaker in the Supreme Court's National Summit on Sustainability and Environmental Law. Atty. Yu has also been appointed by the Supreme Court to be the Chair of the Constitutional Law Department of the Philippine Judicial Academy (PhilJA), a component unit of the Supreme Court which serves as the training school for justices, judges, and other present and aspiring members of the Philippine Judiciary as well as court personnel.

Kevin Andrew L. Tan
Director

Mr. Tan, 46 years old, Filipino, has served as Director since June 2015. He is the Director and Executive Director of Megaworld Corporation. He previously held the position of Executive Vice President and Chief Strategy Officer of Megaworld, and has led the master planning of Megaworld's 37 township developments and extensive tourism projects. He also previously held the position of First Vice President for Commercial Division of Megaworld, which markets and operates the Megaworld Lifestyle Malls including Eastwood Mall and The Clubhouse at Corinthian Hills in Quezon City, Venice Grand Canal at McKinley Hill, Uptown Mall, and Forbes Town in Fort Bonifacio, Newport Mall at Newport World Resorts Manila in Pasay City, Lucky Chinatown in Binondo, Manila, and Festive Walk Iloilo in Mandurriao, Iloilo City. He is the President and Chief Executive Officer of publicly-listed company, Alliance Global Group, Inc., as well as the Chairman of MREIT, Inc. He is concurrently a Director of publicly-listed companies, Empire East Land Holdings, Inc., Emperador Inc. and Global-Estate Resorts, Inc., as well as Eastwood Cyber One Corporation, Uptown Cinemas, Inc., Megaworld Central Properties Inc., Twin Lakes Corporation, Megaworld Land, Inc., Townsquare Development, Inc., Emperador Distillers, Inc., Alliance Global Brands, Inc., Anglo Watsons Glass, Inc., Yorkshire Holdings, Inc., The Bar Beverage, Inc., Emperador Brandy, Inc., and New Town Land Partners, Inc. He also serves as the Chairman of Travellers International Hotel Group, Inc. and Megaworld Foundation, Inc., Chairman and President of Alliance Global-Infracorp Development, Inc., and Chairman and President/CEO of Agile Digital Ventures, Inc. Beyond his corporate leadership, Mr. Tan serves on several distinguished advisory bodies, including the Presidential Economic Advisory Council under Philippine President Ferdinand R. Marcos Jr., APEC Business Advisory Council (ABAC), and the International Advisory Council of the Singapore Management University (SMU). Mr. Tan obtained his bachelor's degree in Business Administration major in Management from the University of Asia and the Pacific.

Enrique Santos L. Sy
Director

Mr. Sy, 76 years old, Filipino, was elected to the Board on June 9, 2009. Previously, he served as director of the Company from April 1996 to April 1998 and from June 1999 to December 23, 2008. Mr. Sy was Corporate Secretary of the Company from July 1994 until March 31, 2011. Mr. Sy concurrently serves on the Board of the publicly-listed company, Megaworld Corporation. He is a Director of Eastin Holdings and First Oceanic Property Management, Inc. He is also a Director and the Corporate Secretary of Asia Finest Cuisine, Inc. and the Corporate Secretary of Empire East Communities, Inc. Mr. Sy previously worked as Advertising Manager of Consolidated Distillers of the Far East, Inc., Creative Director of AdCentrum Advertising, Inc., Copy Chief of Admakers, Inc., and Peace Advertising Corporation and Creative Associate of Adformatix, Inc. Mr. Sy graduated with honors from the Ateneo de Manila University with the degree of Bachelor of Arts in Communication Arts.

Lino P. Victorioso, Jr.
Director/Chief Financial Officer/Chief Information Officer

Mr. Victorioso, Jr., 46 years old, Filipino, is the current Chief Financial Officer and Chief Information Officer of the Company. He has served as director of the Company since June 11, 2024. He also serves as the Data Protection Officer of Megaworld Corporation, a publicly-listed company. Mr. Victorioso, Jr. previously held the position of Senior Assistant Vice-President and headed the Corporate Financial Services Division of the Megaworld Corporation. Prior to joining the Company, he held various CFO roles in the real estate and retail industries. Mr. Victorioso, Jr. graduated cum laude from the University of the Philippines Diliman with a degree in Business Administration and Accountancy. He is a Certified Public Accountant.

Cresencio P. Aquino
Lead Independent Director

Atty. Aquino, 72 years old, Filipino, is currently the Managing Partner of The Law Firm of CP Aquino & Partners. He was first elected as independent director of the Company on February 15, 2018. He concurrently serves as an independent director in the Boards of publicly-listed companies, Megaworld Corporation and Global-Estate Resorts, Inc. Atty. Aquino has extensive experience in both the public and private sectors as 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, Director 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, and Executive Director of the Department of Interior and Local Government ("DILG") from 1988 to 1992, and concurrently Ex-Officio Commissioner of the DILG with the Housing and Land Use Regulatory Board also for the same period. Atty. Aquino was formerly an Associate Professor with the San Sebastian College. 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. Atty. Aquino graduated from San Sebastian College Manila with the degree of Bachelor of Arts in 1973. He obtained his Bachelor of Laws from the same institution in 1977.

Sergio R. Ortiz-Luis, Jr.
Independent Director

Mr. Ortiz-Luis, 82 years old, Filipino, is an independent director of the Company since June 2022. Mr. Ortiz-Luis Jr is also director of other publicly listed companies namely: MREIT, Inc., Philippine Estates Corporation, Waterfront Philippines, Inc., Global Ferronickel Holdings, Inc., SPC Power Corporation, Acesite Hotel Philippines, Inc. and Jolliville Holdings Corporation. He is the Chairman of Philippine International Airways, National Center for Mediation, Southernpec Phil Corporation and Aristocrat Manila City Holdings, Inc. He is Vice-Chairman of the Export Development Council and VC Securities Corporation, member of Council of Adviser in Makati City, and a private sector representative in The Philippine Bamboo Council. Also, an Honorary Chairman of Integrated Concepts & Solutions, Inc., a President of Employers Confederation of the Philippines and Philippine Exporters Confederations, Inc., Honorary Chairman and Treasurer of the Philippine Chamber of Commerce & Industry. Mr. Ortiz-Luis is a director of GS1 (Formerly Phil. Article Numbering Council), The Wellex Group, Manila Exposition Complex, Inc., La Salle Tech Academy, Inc., B.A Securities, LikeCash Asia & Pacific Corp. (LikeCash), Alliance Energy Power and Development Inc and Philippine H2O Ventures Corporation. He has been appointed Honorary Consul General of the Consulate of Romania in the Philippines (2003 to present), Past Dean of Consular Corps of the Philippines, and Honorary Adviser of International Association of Educators for World Peace. He was also the recipient of the Sino Phil Asia International Peace Award and the Gawad Parangal ng Rizal in Entrepreneurship in 2019 and 2017, respectively, Golden Icon Award, Asian Heroes Award, and the Presidential Award of Merit of the Philippines.

Mr. Ortiz-Luis Jr. obtained his Bachelor of Science degrees in Liberal Arts and in Business Administration from De La Salle College. He is also a candidate for Masters in Business Administration at De La Salle College. He has a PhD in Business Administration honoris causa from Angeles University Foundation, PhD in Humanities honoris causa from Central Luzon Agricultural College, PhD in Business Technology honoris causa from Eugelio Rodriguez University, and PhD in Capital Management honoris causa from the Academy of Multiskills, United Kingdom.

Jhoanna Lyndelou T. Llaga
Senior Vice President for Marketing and Chief Marketing Officer

Ms. Llaga, 54 years old, Filipino, concurrently serves as director of Empire East Communities, Inc, and 20th Nylon Shirt Co., Inc., the Company's subsidiaries. She joined the Company in April 1996 and is currently the Senior Vice President and Chief Marketing Officer. She was appointed Marketing Head in June 2003, Assistant Vice President in July 2009, Vice President in March 2011 and First Vice President in July 2015. Ms. Llaga graduated from the University of the Philippines in March 1994 with the degree of Bachelor of Arts in English Language Studies.

Franemil T. Ramos
First Vice President for Management Information System

Mr. Ramos, 51 years old, Filipino, joined the Company in December 1997 and held various positions in the Management Information System (MIS) Department. He was appointed as First Vice President in May 2022. He also held the position of Senior Manager in July 2004, Assistant Vice President in July 2006 and Vice President for MIS in July 2016. Mr. Ramos has a broad background in multiple programming languages along with extensive experience in system analysis, design, and implementation. Prior to joining the company, he was a Programmer Analyst of Union Industries, Inc. assigned to developing and migrating applications from mainframe computer. He graduated from the Lyceum of the Philippines with the degree of Bachelor of Science in Information Technology.

Gemma O. Romero
Vice President for Property Development, Administration and General Services Department

Engr. Romero, 52 years old, Filipino, she entered the Company as AVP for Property Development Department and was promoted as Vice President for Property Development, Administration and General Services Department last February 15, 2025. She has extensive experience in construction, structural consultancy, and real estate. Engr. Romero graduated from Bicol University with a degree in Civil Engineering. She is a licensed Civil Engineer.

Dennis E. Edaño
Chief Risk Officer/Corporate Secretary/First Vice President for Legal and Corporate Affairs

Atty. Edaño, 49 years old, Filipino, is the Chief Risk Officer and Corporate Secretary of the Company. He has been with the Company since September 2003 and currently heads the Legal & Corporate Affairs Department. Prior to his appointment as Corporate Secretary, Atty. Edaño was Assistant Corporate Secretary of the Company. Atty. Edaño has extensive experience in civil, criminal, administrative, labor and local taxation litigation, labor relations and real estate law. Prior to joining the Company, he was an Associate at the Siguion Reyna Montecillo Ongsiako Law Offices. Atty. Edaño obtained his Bachelor's Degree in Law in 1999 from the University of the Philippines and his Bachelor's Degree in Liberal Arts major in Philosophy from the same institution in 1995.

Celeste Z. Sioson - Bumatay
Compliance Officer/Assistant Corporate Secretary/First Vice President for Credit and Collection

Atty. Sioson-Bumatay, 48 years old, Filipino, is the Compliance Officer and Assistant Corporate Secretary of the Company. She joined the Company in October 2006 and is currently the First Vice President of the Credit and Collection Department of the Company. Atty. Sioson-Bumatay obtained her Bachelor's Degree in Law from the University of the Philippines in 2002 and her Bachelor's Degree in Science major in Biology in 1998 from the same institution. She has extensive experience in civil, criminal, administrative, labor litigation, labor relations and real estate law. Prior to joining the Company, she was a Senior Associate at the Andres Marcelo Padernal Guerrero and Paras Law Offices and an Associate at the Ponce Enrile Reyes & Manalastas Law Offices.

Kim Camille B. Manansala
Vice President for Audit and Management Services/Chief Audit Executive

Ms. Manansala, 35 years old, Filipino, currently serves as Vice President for Audit and Management Services (AMS) and Chief Audit Executive. She joined the Company in May 2016 as Senior Audit Manager and was appointed as AMS-Head in July 2016, Assistant Vice President for AMS in January 2017, Senior Assistant Vice President for AMS in July 2022 and Vice President for Audit and Management Services in July 2024. She is also the assigned Project Manager for the SAP implementation from January 2017 to the present. Prior to joining the Company, she worked with SyCip Gorres Velayo & Co. (SGV & Co.) as Senior Assurance Associate where she gained extensive exposure in financial/operations audit for insurance, service, finance, and holding companies, advertising and non-profit institutions. She also worked with QBE Group Shared Services Centre as Quality Assurance Analyst Level 4 and AMA Group of Companies as Senior Audit Manager. Ms. Manansala graduated Magna Cum Laude from the Polytechnic University of the Philippines in 2011 with the degree of Bachelor of Science in Accountancy and is a Certified Public Accountant by profession.

Giovanni C. Ng
Treasurer

Mr. Ng, 51 years old, Filipino, has served as Treasurer of the Company since January 6, 2002. He is also the Senior Vice President and Finance Director of Megaworld Corporation and Treasurer of Adams Properties, Inc. and Townsquare Development, Inc. He serves as a director in Eastwood Property Holdings, Inc., Oceantown Properties, Inc., Empire East Communities, Inc., Gilmore Property Marketing Associates, Inc., First Centro, Inc., Valle Verde Properties, Inc., Lucky Chinatown Cinemas, Inc. and New Town Land Partners, Inc. and Megaworld Land, Inc. Previously, he worked as Analyst Associate in Keppel IVI Investments. Mr. Ng obtained his Bachelor's Degree in Quantitative Economics from the University of Asia and the Pacific, graduating summa cum laude in 1995.

Cosca Camille M. Tuason
Assistant Vice President for Human Resources

Ms. Tuason, 40 yrs old, Filipino, joined the company in May 2006 and has held various roles in the Human Resources and Marketing Department. She was promoted to Marketing Recruitment & Accreditation Assistant Manager in 2015, was appointed as Recruitment & Selection Head in 2018, and was promoted to Human Resources Sr. Manager in 2021. She was appointed as Assistant Vice President for Human Resources Department last April 1, 2025. Ms. Tuason holds a double degree in Psychology and Guidance & Counseling from St. Scholastica's College Manila. She also earned a Diploma in Industrial Relations and is completing her Master of Industrial Relations at the University of the Philippines Diliman.

Rudolf Ryan B. Capor
Assistant Vice President for Project Construction

Rudolf Ryan B. Capor, a 41-year-old Filipino civil engineer, joined Empire East on February 17, 2025 as Head of the Project Construction Department. Prior to this, he spent 17 years with Megaworld Corporation, where he progressed from Site Engineer to Construction Area Manager and led several high-rise residential, BPO, and land development projects. He earned his Bachelor of Science in Civil Engineering from Mapúa Institute of Technology in 2006 and obtained his professional license in the same year. In 2018, he completed his Master's degree in Construction Engineering and Management at Mapúa University. Engr. Capor is recognized for implementing modern construction technologies and industry best practices, contributing to improved project delivery, quality control, and sustainable construction initiatives.

Board Attendance at Meetings for Year 2025

The attendance of the directors at the meetings of the Board of Directors for the year 2025 is as follows:

Name	No. of Meetings held during the year	No. of Meetings Attended	Percentage of Attendance
Andrew L. Tan	28	28	100%
Anthony Charlemagne C. Yu	28	28	100%
Enrique Santos L. Sy	28	28	100%
Lino P. Victorioso, Jr.	28	28	100%
Kevin Andrew L. Tan	28	28	100%
Cresencio P. Aquino	28	28	100%
Sergio R. Ortiz-Luis, Jr.	28	28	100%

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

Name	Designation	Meetings Attended	Percentage
Cresencio P. Aquino (Independent Director)	Chairman	5/5	100%
Sergio R. Ortiz-Luis, Jr. (Independent Director)	Member	4/5	80%
Lino P. Victorioso, Jr.	Member	5/5	100%

The attendance of the members of the Corporate Governance Committee at Corporate Governance Committee meetings for the year 2025 is as follows:

Name	Designation	Meetings Attended	Percentage
Cresencio P. Aquino (Independent Director)	Chairman	2/2	100%
Sergio R. Ortiz-Luis, Jr. (Independent Director)	Member	2/2	100%
Enrique Santos L. Sy	Member	2/2	100%

CORPORATE GOVERNANCE

Pursuant to SEC Memorandum Circular No. 19 series of 2016, otherwise known as the Code of Corporate Governance for Publicly-Listed Companies ("Code"), the Company's Board of Directors approved the Revised Manual on Corporate Governance dated 30 May 2017 ("Revised Manual"), incorporating corporate governance principles and best practices which guides the Company in the pursuit of its goals.

The Company's Integrated Annual Corporate Governance Report (I-ACGR), embodying the Company's compliance with good corporate governance, will be filed separately.

Compliance with Leading Practices on Corporate Governance

Pursuant to the Company's Corporate Governance Manual, its Board created each of the following committees and appointed Board members thereto.

Audit Committee

The Audit Committee is responsible for ensuring that all financial reports comply with internal financial management and accounting standards, performing oversight of financial management functions, pre-approving all audit plans, scope and frequency and performing direct interface functions with internal and external auditors. On 3 October 2012, the Board approved the Audit Committee Charter which provides for the purpose, membership, structure, operations, duties and responsibilities of the Audit Committee. The Company's Audit Committee has three (3) members, two of whom are independent directors. An independent director serves as the head of the Audit Committee. The members of the Audit Committee are Cresencio P. Aquino (Independent Director), Chairman, and Sergio R. Ortiz-Luis, Jr. (Independent Director), and Lino P. Victorioso, Jr., members.

Corporate Governance Committee

The Corporate Governance Committee is tasked to assist the Board in the performance of its corporate governance responsibilities. It also oversees the implementation, review and periodic evaluation of the corporate governance framework. It recommends continuing relevant education/training programs for directors, assignment of tasks/projects to Board committees, succession plan for the Board members and senior officers, and remuneration packages for corporate and individual performance, as well as establishes a formal and transparent procedure to develop a policy for determining the remuneration of directors and officers. It is also responsible for determining the nomination and election process for the Company's directors and the general profile of Board members, and ensures that this process is conducted in accordance with the qualifications prescribed by Philippine law and the Company's Corporate Governance Manual. The members of the Corporate Governance Committee are Cresencio P. Aquino (Independent Director), Chairman, and Sergio R. Ortiz-Luis, Jr. (Independent Director) and Enrique Santos L. Sy, members.

Board Risk Oversight Committee

The Board Risk Oversight Committee is responsible for the development, evaluation, and oversight of the Corporation's Enterprise Risk Management system to ensure its functionality and effectiveness. It also advises the Board on its risk appetite levels and risk tolerance limits, and reviews the Company's risk appetite levels and risk tolerance limits based on changes and developments in the business. The Company's Board Risk Oversight Committee consists of three (3) members, including at least one (1) independent director. The members of the Board Risk Oversight Committee are Sergio R. Ortiz-Luis, Jr. (Independent Director), Chairman, and Cresencio P. Aquino (Independent Director) and Enrique Santos L. Sy, members.

Related Party Transaction Committee

The Related Party Transaction Committee is responsible for reviewing all material related party transactions of the Company. This Committee shall evaluate on an ongoing basis the existing relations between and among business and counterparties to ensure that all related parties are continuously identified, related party transactions are monitored, and subsequent changes in relationships with counterparties (from non-related to related and vice versa) are captured, and evaluate all material related party transactions to ensure that these are in strict adherence to the principle of arm's length dealings and not undertaken on more favourable economic terms. The Company's Related Party Transaction Committee consists of three (3) members, including at least one (1) independent director. The members of the Related Party Transaction Committee are Cresencio P. Aquino (Independent Director), Chairman, and Sergio R. Ortiz-Luis, Jr. (Independent Director) and Enrique Santos L. Sy, members.

Evaluation System

The Board conducts regular annual assessment of its performance, including the performance of the Chairman, individual members and committees. It periodically evaluates and monitors the implementation of such policies and strategies, including the business plans and operating budgets, and assesses Management's overall performance based on established performance standards that are consistent with the Company's strategic objectives. This assessment and evaluation include determining compliance with the corporate governance requirements under the Code, the Revised Manual, and other relevant laws, regulations and standards. The Company has designated a Compliance Officer who is tasked with monitoring compliance with the provisions and requirements of its Manual on Corporate Governance.

Deviations from Manual and Sanctions Imposed

The Company complies with the Code and the Revised Manual. There has been no material deviation from the Revised Manual on Corporate Governance. Neither has there been any director or executive officer of the Company who has violated any material provision of the same.

Plan to Improve Corporate Governance

Pursuant to SEC Memorandum Circular No. 19 series of 2016, otherwise known as the Code of Corporate Governance for Publicly-Listed Companies the Company's Board of Directors approved the Revised Manual on 31 May 2017, incorporating corporate governance principles and best practices which guides the Company in the pursuit of its goals. Consistently strengthening its corporate governance system and practices is a commitment of the Company.

FINANCIAL INFORMATION

The Consolidated Audited Financial Statements of the Company and its subsidiaries (the “Group”) as of December 31, 2025 and 2024 and Interim Consolidated Financial Statements as of March 31, 2026 is attached hereto and incorporated herein by reference.

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

For the three-month period ending March 31, 2026, the following are the top key performance indicators of the Group:

		2026	**2025**
Sales		Php1.2 Billion	Php1.2 Billion
Net Profit		Php260.9 Million	Php254.2 Million
Current Ratio	*1	2.73:1	2.76:1
Quick Ratio	*2	0.93:1	0.90:1
Return on Assets	*3	0.005:1	0.005:1
Return on Equity	*4	0.008:1	0.008:1

**1- Current Assets/Current Liabilities*
**2- Cash and cash equivalents + Trade and other receivables + Contract Assets / Total Current Liabilities*
**3-Net Profit divided by Average Total Assets*
**4-Net Profit divided by Average Total Equity*

1) **Real Estate Sales**

The Group’s marketing and development concepts, sales strategies, project location and flexible payment scheme remain to be its competitive advantages. Most projects of the Group are connected to mass transit system and are conveniently located in business districts of Metro Manila.

2) Prudent Cash Management

The Group continued to implement cost-saving measures and negotiate for longer payment terms with both existing and new suppliers. Strict monitoring of cash outflows is also being continually observed, and any excess cash from operations is being placed in short-term investments.

3) Ability to Repay Loan Obligations

The loan obligations were promptly settled. The Group maintains a good credit standing with creditor banks and has considerable standby credit facilities, which can be utilized for urgent capital requirements.

4) Continuous Customer Collections

The Group continues to innovate and implement collection efficiency initiatives, some of which are the various online payment platforms that enable clients to continually make payments with ease. The Group is also in partnership with a wide network of banks to provide clients with more convenient payment options.

RESULTS OF OPERATIONS

(Based on Financial Statements adopted in accordance with the Philippine Financial Reporting Standards)

Review of March 31, 2026 versus March 31, 2025

Amount in Million Pesos (except for Earnings per Share (EPS))	**For the three months ended March 31 2026**	**2025**	**Change quarter-on-quarter in Pesos**	**in %**
REVENUES				
Real estate sales	P 1,205.4	P 1,205.2	P 0.2	0.02%
Finance income	103.6	218.9	(115.3)	-52.7%
Equity share in net earnings of an associate	0.1	0.2	(0.1)	-29.1%
Commissions and other income	291.4	121.7	169.7	139.5%
	1,600.5	1,546.0	54.5	3.5%
COSTS AND EXPENSES				
Cost of real estate sales	656.7	682.8	(26.1)	-3.8%
Finance costs	77.9	114.8	(36.9)	-32.1%
Operating Expenses	513.8	405.8	108.0	26.6%
Income taxes	91.1	88.4	2.7	3.1%
	1,339.6	1,291.8	47.8	3.7%
NET PROFIT	260.9	254.2	6.7	2.6%
Net profit (loss) attributable to:				
Parent company's shareholders	P 262.5	P 256.0	P 6.5	2.6%
Non-controlling interests	(1.6)	(1.8)	(0.2)	-6.3%
EPS - Basic and Diluted	P 0.0179	P 0.0174	P 0.0005	2.6%

During the three-month period, the consolidated net profit amounted to Php 260.92 million, 2.6% higher than the previous year's net profit of Php 254.21 million. Consolidated revenues, composed of real estate sales, finance income, commissions, and other income, increased by 3.5% from Php 1.55 billion in 2025 to Php 1.60 billion in 2026.

Real Estate Sales

The Group reported Real Estate Sales of Php 1.21 billion for the three months ended March 31, 2026 and 2025. The sales were derived from various projects, including The Paddington Place, Mango Tree Residences, The Cambridge Village, Covent Garden, Pioneer Woodlands, California Garden Square, The Sonoma, The Rochester Garden and Greenhills Garden Square.

The Cost of Real Estate Sales amounted to Php 656.72 million in 2026 and Php 682.79 million in 2025, or 54.5% and 56.7% of Real Estate Sales for the three months ended March 31, 2026 and 2025, respectively. The change was primarily due to the different composition of products sold during each period.

Gross Profit was Php 548.66 million in 2026 and Php 522.39 million in 2025, or 45.5% and 43.3% of Real Estate Sales, for the three months ended March 31, 2026 and 2025, respectively. The gross profit margin varies depending on the product mix and the competitiveness of pricing.

Other Revenues

The Finance Income amounted to Php 103.55 million and Php 218.90 million for the three months ended 31 March 2026 and 2025, respectively, and was derived mostly from the significant financing component of buyers' contracts, in-house financing, short-term placements and various advances to related parties, which account for 6.5% and 14.2% of total revenues for 2026 and 2025, respectively.

Additional sources of revenue were commissions from a subsidiary, rentals of investment properties, and those obtained from other sources. Commission and other income totaling Php 291.45 million in 2026 and Php 121.71 million in 2025, representing 18.2% and 7.9% of total revenues for 2026 and 2025, respectively.

Operating Expenses

Operating Expenses posted an increase from Php 405.83 million in 2025 to Php 513.82 million in 2026. Finance Cost posted a decrease from Php 114.75 million in 2025 to Php 77.95 million in 2026.

FINANCIAL CONDITION

Review of March 31, 2026 versus December 31, 2025

In Million Pesos **Selected Balance Sheet Data**	**March 31, 2026**	**December 31, 2025**	**Change for the Quarter In Peso**	**In %**
Contract assets[1]	2,818.1	2,471.3	346.8	14.0%
Financial assets at fair value through profit or loss	1,011.1	922.2	88.9	9.6%
Intangible assets-net	20.3	21.8	(1.5)	-7.1%
Total Assets	**50,726.9**	**49,929.7**	**797.2**	**1.6%**
Interest-bearing loans and borrowings[1]	400.0	450.0	(50.0)	-11.1%
Trade and other payables	2,663.9	2,348.4	315.5	13.4%
Contract liabilities[1]	188.1	199.8	(11.7)	-5.9%
Other current liabilities	1,775.5	1,646.6	128.9	7.8%
Total Liabilities	**18,343.6**	**17,896.2**	**447.4**	**2.5%**
Revaluation reserves	253.5	164.5	89.0	54.1%
Equity Attributable to the Parent Company's stockholders	29,614.8	29,263.3	351.5	1.2%
Non-controlling interests	2,768.5	2,770.2	(1.7)	-0.1%
Total Equity	**32,383.3**	**32,033.5**	**349.8**	**1.1%**

1 *Current+Non-current*

Total Assets of the Group as of March 31, 2026 and December 31, 2025 amounted to Php 50.73 billion and Php 49.93 billion, respectively. Cash and Cash Equivalents increased from Php 2.28 billion to Php 2.38 billion as of March 31, 2026 and December 31, 2025, respectively.

The Group remains liquid with Total Current Assets of Php 43.42 billion in 2026 and Php 42.46 billion in 2025, which accounted for 85.6% and 85.0% of the Total Assets as of March 31, 2026 and December 31, 2025, respectively. While Total Current Liabilities amounted to Php 15.91 billion and Php 15.39 billion as of March 31, 2026 and December 31, 2025, respectively.

Total Equity increased from Php 32.03 billion as of December 31, 2025 to Php 32.38 billion as of March 31, 2026 which is a combined effect of the revaluation of equity investments and the net profit for the period.

Consistently, the Group still sources its major working capital requirements from internally generated funds and partly from borrowings.

The Group utilized its funds for the construction and development of projects, loan repayments, settlement of various payables, and other operating expenses.

Material Changes as of March 31, 2026 Interim Consolidated Financial Statements

Statements of Financial Position
(Increase or decrease of 5% or more versus December 31, 2025)

- 14.0% increase in Contract Assets

Due to the progress in construction activities and sales recognized from uncompleted projects

- 9.6% increase in Financial Asset at FVOCI

Pertains to the increase in the fair market value of the investment in shares held by a subsidiary

- 7.1% decrease in Intangible Assets

Pertains to the amortization for the period

- 13.4% increase in Trade and Other Payables

Primarily due to various payables to suppliers and contractors in relation to full blast construction

- 5.9% decrease in Contract Liability

Mainly due to the progress in construction of ongoing projects net of collections from customers

- 7.8% increase in Other Current Liabilities

Mainly due to the portion of contractors' and suppliers' billings retained by the company to ensure compliance with their contract agreements as well as the provision for refund liability recognized during the period as required under R.A. 6552

- 11.1% decrease in Interest-bearing Loans and Borrowings

Pertains to repayment of loan

- 54.1% increase in Revaluation Reserve

Pertains to the increase in the fair market value of the financial asset at FVOCI

Statements of Comprehensive Income
(Increase or decrease of 5% or more versus 31 March 2025)

- 52.7% decrease in Finance Income

Mainly due to the lower interest rate on the outstanding promissory notes

- 29.1% decrease in Equity Share in Net Earnings of an Associate

Mainly due to the reported net income of an associate for the period

- 139.5% increase in Commissions and other Income

Due to the increase in revenues from other related sources

- 32.1% decrease in Finance Costs

Mainly due to the lower interest rate on the outstanding advances to related parties and significant financing component on buyers' contracts

- 26.6% increase in Operating Expenses

Mainly due to the increase in selling, administrative and other corporate expenses

The Company earmarks P25.0 billion for capital expenditures over the next 5 years and is expected to be funded by collections, borrowings, and other sources.

Fluctuations in the foreign exchange rate had no adverse effect on the Group's financial conditions since the Group has very minimal importations of construction-related materials and no foreign-denominated loans.

There are no other material changes in the Group's financial position and condition (5% or more) that will warrant a more detailed discussion. Likewise, there are no material events or uncertainties known to the management that would have a material impact on reported financial information or the normal operations of the Group.

The nature of all revenues and expenses disclosed in the unaudited interim statements of comprehensive income are business-related transactions that arose from the Group's continuing operations.

There are no material off-statements of financial condition transactions, arrangements, obligations (including contingent obligations), or other relationships of the Group with unconsolidated entities or other persons created during the reporting period.

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

The Group is aggressively marketing its products, especially the new projects. It continuously offers competitive prices, more lenient payment schemes under in-house financing, and strong tie-ups with reputable banks for the financing requirements of its buyers.

For 2025, the following are top key performance indicators of the Group:

		2025	**2024**
Sales		Php3.3 Billion	Php3.2 Billion
Net Profit		Php796.5 Million	Php680.3 Million
Current Ratio	*1	2.76:1	2.79:1
Quick Ratio	*2	0.90:1	0.96:1
Return on Assets	*3	0.02:1	0.01:1
Return on Equity	*4	0.03:1	0.02:1

**1- Current Assets/Current Liabilities*
**2- Cash and cash equivalents + Trade and other receivables + Contract Assets / Total Current Liabilities*
**3-Net Profit divided by Average Total Assets*
**4-Net Profit divided by Average Total Equity*

1) Real Estate Sales

The Group's marketing and development concepts, sales strategies, project location and flexible payment scheme remain to be its competitive advantages. Most projects of the Group are connected to mass transit system and are conveniently located in business districts of Metro Manila

2) Prudent Cash Management

The Group continued to implement cost-saving measures and negotiate for longer payment terms with both existing and new suppliers. Strict monitoring of cash outflows is also being continually observed, and any excess cash from operations is being placed in short-term investments.

3) Ability to Repay Loan Obligations

The loan obligations were promptly settled. The Group maintains a good credit standing with creditor banks and has considerable standby credit facilities, which can be utilized for urgent capital requirements.

4) Continuous Customer Collections

The Group continues to innovate and implement collection efficiency initiatives, some of which are the various online payment platforms that enable clients to continually make payments with ease. The Group is also in partnership with a wide network of banks to provide clients with more convenient payment options.

RESULTS OF OPERATIONS

(Based on Financial Statements adopted in accordance with the Philippine Financial Reporting Standards)

Review of December 31, 2025 versus December 31, 2024

Amount in Million Pesos	For the years ended December 31				Change year-on-year		
(except for Earnings per Share (EPS))		2025		2024		in Pesos	in %
REVENUES							
Real estate sales	P	3,323.8	P	3,242.6	P	81.2	2.5%
Finance income		821.8		913.7	(	91.9)	-10.1%
Equity share in net earnings of an associate		0.9		0.4		0.5	122.8%
Commissions and other income		1,250.3		794.1		456.2	57.5%
		5,396.8		4,950.8		446.0	9.0%
COSTS AND EXPENSES							
Cost of real estate sales		2,093.0		2,053.7		39.3	1.9%
Finance costs		380.6		491.9	(	111.3)	-22.6%
Operating Expenses		2,007.1		1,517.1		490.0	32.3%
Income taxes		119.6		207.8	(	88.2)	-42.4%
		4,600.3		4,270.5		329.8	7.7%
NET PROFIT		796.5		680.3		116.2	17.1%
Net profit (loss) attributable to:							
Parent company's shareholders	P	803.8	P	687.1	P	116.7	17.0%
Non-controlling interests	(	7.3)	(	6.8)	(	0.5)	6.8%
EPS - Basic and Diluted	P	0.055	P	0.047	P	0.008	17.0%

During the twelve-month period, the consolidated net profit amounted to Php796.5 million, with 17.1% increase from previous year's net income of Php680.3 million. Consolidated revenues, composed of Real Estate Sales, Finance Income, Commissions and other income, increased by 9.0% from Php5.0 billion in 2024 to Php5.4 billion in 2025.

Real Estate Sales

The Group registered Real Estate Sales of Php3.3 billion for the year ended December 31, 2025 compared with Php3.2 billion for the year ended December 31, 2024. The sales generated were derived from various projects including The Paddington Place, Mango Tree Residences, Kasara Urban Resort Residences, Covent Garden, Pioneer Woodlands, The Sonoma, Laguna Bel-Air, Greenhills Garden Square, California Garden Square, San Lorenzo Place, The Rochester Garden, The Cambridge Village and Little Baguio Terraces.

The Cost of Real Estate Sales amounted to Php2.1 billion for the years ended December 31, 2025 and 2024 or 63.0% and 63.3% of Real Estate Sales, respectively. The change was primarily due to the different composition of properties sold for each year.

Gross Profit for years ended December 31, 2025 and 2024 amounted to Php1.2 billion and Php1.1 billion or 37.0% and 36.7% of Real Estate Sales, respectively. The gross profit margin varies depending on the product mix and the competitiveness of prices of each property.

Other Revenues

The Finance Income for the year ended December 31, 2025 and 2024 amounted to Php821.8 million and Php913.7 million or 15.2% and 18.5% of Total Revenues, respectively. They were derived mostly from the significant financing component of contracts, in-house financing, short-term investments and various advances from related parties.

Additional sources of revenue were commissions of a subsidiary, rentals of investment properties and those obtained from other sources. Commission and other Income for the year ended December 31, 2025 and 2024 resulted to Php1.3 billion and Php0.8 billion or 23.2% and 16.0% of Total Revenues, respectively.

Equity share in the net earnings of an associate amounted to Php0.9 million and Php0.4 million for the year ended December 31, 2025 and 2024, respectively.

Operating Expenses

Operating Expenses posted an increase of 32.3% from Php1.5 billion to Php2.0 billion for the year ended December 31, 2024 and 2025, respectively. Other charges/expenses include Finance Cost of Php380.6 million and Php491.9 million for the year ended December 31, 2025 and 2024, respectively.

FINANCIAL CONDITION

Review of December 31, 2025 versus December 31, 2024

In Million Pesos	**As of December 31**		**Change year-on-year**	
Selected Balance Sheet Data	**2025**	**2024**	**In Pesos**	**In %**
Cash and cash equivalents	2,282.6	2,863.9	(581.3)	-20.3%
Trade and other receivables[1]	14,061.1	12,771.1	1,290.0	10.1%
Contract assets[1]	2,471.3	3,267.0	(795.7)	-24.4%
Prepayments and other current assets	1,343.3	1,059.1	284.2	26.8%
Financial assets at fair value through profit or loss	922.2	1,013.4	(91.2)	-9.0%
Advances to landowners and joint ventures	258.1	237.5	20.6	8.7%
Property and equipment - net	204.2	146.6	57.6	39.3%
Intangible assets-net	21.8	28.1	(6.3)	-22.2%
Other non-current assets	277.1	311.1	(34.0)	-10.94%
Total Assets	**49,929.7**	**49,425.2**	**504.5**	**1.0%**
Interest-bearing loans and borrowings[1]	450.0	650.0	(200.0)	-30.8%
Trade and other payables	2,348.4	2,512.6	(164.2)	-6.5%
Contract liabilities[1]	199.8	282.6	(82.8)	-29.3%
Other current liabilities	1,646.6	1,208.6	438.0	36.2%
Total Liabilities	**17,896.2**	**18,093.3**	**(197.1)**	**-1.1%**
Revaluation reserves	164.5	259.4	(94.9)	-36.6%
Retained earnings	10,381.7	9,577.9	803.8	8.4%
Equity Attributable to the Parent Company's stockholders	29,263.4	28,554.5	708.9	2.5%
Non-controlling interests	2,770.1	2,777.4	(7.3)	-0.3%
Total Equity	**32,033.5**	**31,331.9**	**701.6**	**2.2%**

1 *Current+Non-current*

Total Assets of the Group as of December 31, 2025 and 2024 amounted to Php49.9 billion and Php49.4 billion, respectively. Cash and Cash Equivalents decreased from Php2.9 billion in 2024 to Php2.3 billion in 2025.

The Group remains liquid with Total Current Assets of Php42.5 billion in 2025 and Php42.6 billion in 2024 which accounts for 85.0% and 86.1% of the Total Assets as of December 31, 2025 and 2024, respectively. While Total Current Liabilities amounted to Php 15.4 billion in 2025 and Php15.2 billion in 2024.

Total Equity increased from Php31.3 billion in 2024 to Php32.0 billion in 2025 due to the Group's Net Income for the 12-month period.

For the year ending December 31, 2025 and 2024, the Group sourced its major cash requirements from internally generated funds and partly from borrowings.

The Group utilized its funds for construction and development of projects, loan repayments, settlement of various payables and other operating expenses.

Material Changes in the 2025 Financial Statements
(Increase or decrease of 5% or more versus December 31, 2024)

Statements of Financial Position

- 20.3% decrease in Cash and cash equivalents

Mainly due to the full blast construction of various projects during the year

- 10.1% increase in Trade and Other Receivables

Mainly due to recognized sales from completed projects

- 24.4% decrease in Contract Assets

Primarily due to the completion of various projects

- 26.8% increase in Prepayments and Other Current Assets

Due to transfer related taxes processed during the year

- 9% decrease in Financial Assets at Fair Value through Other Comprehensive Income

Pertains to the decline in the fair market value of shares held by a subsidiary

- 8.7% increase in Advances to Landowners & Joint Ventures

Mainly due to various advances to landowners and joint ventures

- 39.3% increase in Property and Equipment - Net

Mainly due to capitalized cost related to the Company's head office

- 22.2% decrease in Intangible Assets – Net

Pertains to the amortization recognized for the year

- 10.9% decrease Other non-current assets

Primarily due to lower deferred commission expected to be realized beyond one year from the reporting date

- 30.8% decrease in Interest-bearing Loans and Borrowings

Mainly due to repayment of loans

- 6.5% decrease in Trade and Other Payables

Due to payment of obligations to suppliers and contractors

- 29.3% decrease in Contract Liabilities

Due to revenue recognition related to the completion of various projects and construction progress of ongoing projects net customer collections

- 36.2% increase in Other Current Liabilities

Mainly due to the portion of contractors' and suppliers' billings retained by the company to ensure compliance with their contract agreements as well as the provision for refund liability recognized during the period as required under R.A. 6552

- 36.6% decrease in Revaluation Reserve

Mainly due to the decrease in fair market value of investment in securities held by a subsidiary

Statements of Comprehensive Income
(Increase or decrease of 5% or more versus December 31, 2024)

- 10.1% decrease in Finance Income

Mainly due to reduced interest rate due on the outstanding advances to related parties

- 122.8% increase in Equity Share in Net Income of Associates

Mainly due to the reported net income of an associate for the period

- 57.5% increase in Commissions and Other Income

Mainly due to the higher revenues derived from other sources

- 22.6% decrease in Finance Costs

Mainly due to interest on loans and advances from related parties

- 32.3% increase in Operating Expenses

Mainly due to the increase in selling, administrative, and other corporate expenses

- 42.4% decrease in Tax Expense

Mainly due to the deductible temporary difference resulting to lower financial income for the year

The Company allocates Php25.0 billion in capital expenditures over the next 5 years and is expected to be funded by collections, borrowings, and other sources.

Fluctuations in foreign exchange rate had no adverse effect on the Group's financial conditions since the Group has very minimal importations of construction-related materials and have no foreign denominated loans.

There are no other material changes in the Group's financial position and condition (5% or more) that will warrant a more detailed discussion. Likewise, there are no material events and uncertainties known to the management that would have material impact on reported financial information and normal operations of the Group.

The nature of all revenues and expenses disclosed in the statements of comprehensive income are business-related transactions and arose from the Group's continuing operations. Also, no prior period adjustment was made during any period covered by the statements of financial position.

There are no material off-statements of financial condition transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period.

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

The Group is aggressively marketing its products especially the new projects. It continuously offers competitive prices, more flexible payment schemes under in-house financing, and has strong tie-ups with reputable banks for the financing requirements of its buyers.

For 2024, the following are top key performance indicators of the Group:

		2024	2023
Sales		Php3.2 Billion	Php4.0 Billion
Net Profit		Php680.3 Million	Php757.9 Million
Current Ratio	*1	2.81:1	2.87:1
Quick Ratio	*2	0.96:1	1.06:1
Return on Assets	*3	0.01:1	0.02:1
Return on Equity	*4	0.02:1	0.02:1

**1- Current Assets/Current Liabilities*
**2- Cash and cash equivalents + Trade and other receivables + Contract Assets / Total Current Liabilities*
**3-Net Profit divided by Average Total Assets*
**4-Net Profit divided by Average Total Equity*

1) Real Estate Sales

The Group's marketing and development concepts, sales strategies, project location and flexible payment scheme remain to be its competitive advantages. Most projects of the Group are connected to mass transit system and are conveniently located in business districts of Metro Manila

2) Prudent Cash Management

The Group continued to implement cost-saving measures and negotiate for longer payment terms with both existing and new suppliers. Strict monitoring of cash outflows is also being continually observed, and any excess cash from operations is being placed in short-term investments.

3) Ability to Repay Loan Obligations

The loan obligations were promptly settled. The Group maintains a good credit standing with creditor banks and has considerable standby credit facilities, which can be utilized for urgent capital requirements.

4) Continuous Customer Collections

The Group continues to innovate and implement collection efficiency initiatives, some of which are the various online payment platforms that enable clients to continually make payments with ease. The Group is also in partnership with a wide network of banks to provide clients with more convenient payment options.

RESULTS OF OPERATIONS

(Based on Financial Statements adopted in accordance with the Philippine Financial Reporting Standards)

Review of 31 December 2024 versus 31 December 2023

Amount in Million Pesos	For the years ended December 31		Change year-on-year	
(except for Earnings per Share (EPS))	**2024**	**2023**	**in Pesos**	**in %**
REVENUES				
Real estate sales	3,242.6	3,997.5	(754.9)	(18.9%)
Finance income	913.7	587.5	326.2	55.5%
Equity share in net earnings of an associate	0.4	0.1	0.3	218.3%
Commissions and other income	794.1	618.0	176.1	28.5%
	4,950.8	5,203.1	(252.3)	(4.8%)
COSTS AND EXPENSES				
Cost of real estate sales	2,053.7	2,497.4	(443.7)	(17.8%)
Finance costs	491.9	391.1	100.8	25.8%
Operating expenses	1,517.1	1,336.7	180.4	13.5%
Tax expense	207.8	220.0	(12.2)	(5.5%)
	4,270.5	4,445.2	(174.7)	(3.9%)
NET PROFIT	680.3	757.9	(77.6)	(10.2%)
Net profit (loss) attributable to:				
Parent company's shareholders	687.1	765.7	(78.6)	(10.3%)
Non-controlling interests	(6.8)	(7.8)	(1.0)	(12.8%)
EPS - Basic and Diluted	0.047	0.052	(0.005)	(9.6%)

During the twelve-month period, the consolidated net profit amounted to Php680.3 million, with 10.2% decrease from previous year's net income of Php757.9 million. Consolidated revenues, composed of Real Estate Sales, Finance Income, Equity share in net earnings of an associate, Commissions and other income, dipped by 4.8% from Php5.2 billion in 2023 to Php5.0 billion in 2024.

Real Estate Sales

The Group registered Real Estate Sales of Php3.2 billion for the year ended 31 December 2024 compared with Php4.0 billion for the year ended 31 December 2023. The sales generated were derived from various projects including Kasara Urban Resort Residences, Pioneer Woodlands, Covent Garden, San Lorenzo Place, Mango Tree Residences, The Paddington Place, The Rochester Garden, The Sonoma, The Cambridge Village, and Little Baguio Terraces.

The Cost of Real Estate Sales amounted to Php2.0 billion for the year ended 31 December 2024 and Php2.5 billion for the year ended 31 December 2023 or 63.3% and 62.5% of Real Estate Sales, respectively. The change was primarily due to the different composition of properties sold for each year.

Gross Profit for the year ended 31 December 2024 and 2023 amounted to Php1.2 billion and Php1.5 billion or 36.7% and 37.5% of Real Estate Sales, respectively. The gross profit margin varies depending on the product mix and the competitiveness of prices of each property.

Other Revenues

The Finance Income for the year ended 31 December 2024 and 2023 amounted to Php913.7 million and Php587.5 million or 18.5% and 11.3% of Total Revenues, respectively. They were derived mostly from in-house financing, short-term investments, significant financing component in the contract to sell and various advances from related parties.

Additional sources of revenue were commissions of a subsidiary, rentals of investment properties and those obtained from other sources. Commission and other Income for the year ended 31 December 2024 and 2023 resulted to Php794.1 million and Php618.0 million or 16.0% and 11.9% of Total Revenues, respectively.

Equity share in the net earnings of an associate amounted to Php0.4 million and Php0.1 million for the year ended 31 December 2024 and 2023, respectively.

Operating Expenses

Operating Expenses posted an increase of 13.5% from Php1.3 billion to Php1.5 billion for the year ended 31 December 2023 and 2024, respectively. Other charges/expenses include Finance Cost of Php491.9 million and Php391.1 million for the year ended 31 December 2024 and 2023, respectively.

FINANCIAL CONDITION

Review of 31 December 2024 versus 31 December 2023

Amount in Million Pesos	**As of December 31**		**Change year-on-year**	
Selected Balance Sheet Data	**2024**	**2023**	**in Pesos**	**in %**
Cash and cash equivalents	2,863.9	3,717.5	(853.6)	(23.0%)
Contract assets[1]	3,267.0	2,741.2	525.8	19.2%
Advances to related parties	5,965.8	5,467.5	498.3	9.1%
Prepayments and other current assets	1,365.0	1,258.3	106.7	8.5%
Financial assets at fair value through OCI	1,013.4	1,270.1	(256.7)	(20.2%)
Property and equipment - net	146.6	160.9	(14.3)	(8.9%)
Intangible assets-net	28.1	34.3	(6.2)	(18.1%)
Total Assets	**49,425.2**	**49,499.1**	**(73.9)**	**(0.1%)**
Interest-bearing loans and borrowings[1]	650.0	850.0	(200.0)	(23.5%)
Customers' deposits	4,743.7	5,140.8	(397.1)	(7.7%)
Advances from related parties	6,394.9	6,061.7	333.2	5.5%
Contract liabilities[1]	282.6	256.8	25.9	10.0%
Other current liabilities	1,208.6	1,042.2	166.4	16.0%
Retirement benefit obligation	238.1	154.0	84.1	54.6%
Total Liabilities	**18,093.3**	**18,135.5**	**(42.2)**	**(0.2%)**
Revaluation reserves	259.4	547.6	(288.2)	(52.6%)
Retained earnings	9,577.9	9,314.6	263.3	2.8%
Equity Attributable to the Parent Company's stockholders	28,554.5	28,579.3	(24.8)	(0.1%)
Non-controlling interests	2,777.4	2,784.3	(6.9)	(0.2%)
Total Equity	**31,331.9**	**31,363.6**	**(31.7)**	**(0.1%)**

[1] *Current+Non-current*

Total Assets of the Group as of 31 December 2024 and 2023 amounted to Php49.4 billion and Php49.5 billion, respectively. Cash and Cash Equivalents as of December 31 decreased from Php3.7 billion in 2023 to Php2.9 billion in 2024.

The Group remains liquid with Total Current Assets of Php42.9 billion in 2024 and Php43.3 billion in 2023, which accounts for 86.7% and 87.5% of the Total Assets as of 31 December 2024 and 2023, respectively. While Total Current Liabilities amounted to Php15.2 billion in 2024 and Php15.1 billion in 2023.

Total Equity as of December 31 decreased from Php31.4 billion in 2023 to Php31.3 billion in 2024 mainly due to the Group's restatement in relation to the adoption of IFRIC Agenda (PAS 23) and PIC Q&A No. 2018-12D and re-measurement of retirement benefit obligation and revaluation of equity investments held by a subsidiary

For the year ending 31 December 2024 and 2023, the Group sourced its major cash requirements from internally generated funds and partly from borrowings.

The Group utilized its funds for construction and development of projects, loan repayments, settlement of various payables and other operating expenses.

Capital Expenditures

The total project and capital expenditures in 2024 amounted to Php1.9 billion. These were funded by internally generated funds and partly from borrowings.

Material Changes in the 2024 Financial Statements

Statements of Financial Position
(Increase or decrease of 5% or more versus 31 December 2023)

- 23.0% decrease in Cash and cash equivalents
  Mainly due to the full blast construction of various projects during the period

- 19.2% increase in Contract Assets
  Due to the progress in construction activities and sales recognized from uncompleted projects

- 9.1% increase in Advances to Related Parties
  Mainly due to interest on outstanding advances

- 8.5% increase in Prepayments and Other Current Assets
  Primarily due to the capitalized Commissions incurred to obtain contracts.

- 20.2% decrease in Financial Assets at Fair Value through Other Comprehensive Income (OCI)
  Due to the decline in the fair market value of shares held by a subsidiary

- 8.9% decrease in Property and Equipment - Net
  Mainly due to the depreciation expense for the period

- 18.1% decrease in Intangible Assets – Net
  Due to the amortization recognized for the period

- 23.5% decrease in Interest-Bearing Loans and Borrowings
  Due to principal repayments of loan

- 7.7% decrease in Customers' Deposits
  Primarily due to recognized sales for the period

- 5.5% increase in Advances from Related Parties
  Mainly due to interest on outstanding advances

- 10.0% increase in Contract Liabilities
  Due to customer collections net of construction progress for some contracts

- 16.0% increase in Other Current Liabilities
  Due to the portion of contractors' and suppliers' billings retained by the company to ensure compliance with their contract agreements and the provision for refund liability recognized during the period as required by R.A. 6552

- 54.6% increase in Retirement Benefit Obligation
  Mainly due to the re-measurement of the Retirement Benefit Obligation

- 52.6% decrease in Revaluation Reserve
  Mainly due to the decline in fair market value of investment in securities held by a subsidiary

Statements of Comprehensive Income
(Increase or decrease of 5% or more versus 31 December 2023)

- 18.9% decrease in Real estate sales
  Primarily due to the fewer number of contracts qualified for revenue recognition for the year

- 55.5% increase in Finance Income
  Mainly due to interest related to the significant financing components of contracts, outstanding advances to related parties and short-term investments

- 218.3% increase in Equity Share in Net Income of Associates
  Mainly due to the reported net income of an associate for the period

- 28.5% increase in Commissions and Other Income
  Mainly due to the higher rentals from commercial spaces as well as revenue derived from other sources

- 17.8% decrease in Cost of Real Estate Sales
  Due to lower Real Estate Sales for the year

- 25.8% increase in Finance Costs
  Mainly due to interest on loans and advances from related parties

- 13.5% increase in Operating Expenses
  Mainly due to the increase in selling, administrative, and other corporate expenses

- 5.5% decrease in Tax Expense
  Mainly due to the decrease in taxable income for the year

The Company allocates Php25.0 billion in capital expenditures over the next 5 years and is expected to be funded by collections, borrowings, and other sources.

Fluctuations in foreign exchange rate had no adverse effect on the Group's financial conditions since the Group has very minimal importations of construction-related materials and have no foreign denominated loans.

There are no other material changes in the Group's financial position and condition (5% or more) that will warrant a more detailed discussion. Likewise, there are no material events and uncertainties known to the management that would have material impact on reported financial information and normal operations of the Group.

The nature of all revenues and expenses disclosed in the statements of comprehensive income are business-related transactions and arose from the Group's continuing operations. Also, no prior period adjustment was made during any period covered by the statements of financial position.

There are no material off-statements of financial condition transactions, arrangements, obligations (including contingent obligations), and other relationships of the Group with unconsolidated entities or other persons created during the reporting period.

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

The Group is aggressively marketing its products especially the new projects. It continuously offers competitive prices, more flexible payment schemes under in-house financing, and has strong tie-ups with reputable banks for the financing requirements of its buyers.

For the year ending 31 December 2023, the following are the top key performance indicators of the Group:

		2023	2022
Sales		Php4.0 Billion	Php3.8 Billion
Net Profit		Php757.9 Million	Php715.4 Million
Current Ratio	*1	2.87:1	3.11:1
Quick Ratio	*2	1.06:1	1.10:1
Return on Assets	*3	0.02:1	0.02:1
Return on Equity	*4	0.02:1	0.02:1

**1- Current Assets/Current Liabilities*
**2- Cash and cash equivalents + Trade and other receivables + Contract Assets / Total Current Liabilities*
**3-Net Profit divided by Average Total Assets*
**4-Net Profit divided by Average Total Equity*

1) **Real Estate Sales**

   The Group's marketing and development concepts, sales strategies, project location and flexible payment scheme remain to be its competitive advantages. Most projects of the Group are connected to mass transit system and are conveniently located in business districts of Metro Manila

2) **Prudent Cash Management**

   The Group implemented cost-saving measures, negotiated for longer payment terms from suppliers, monitored cash outflows and invested excess cash in short-term time deposits.

3) **Ability to Repay Loan Obligations**

   The loan obligations were promptly settled. The Group maintains a good credit standing with creditor banks and has considerable standby credit facilities, which can be utilized for urgent capital requirements.

4) **Continuous Customer Collections**

   The Group implemented collection efficiency initiatives and launched an online digital payment platform to enable continuous customer payments. It also utilizes more banks to provide more convenience to clients who opt for direct payments.

RESULTS OF OPERATIONS

(Based on Financial Statements adopted in accordance with the Philippine Financial Reporting Standards)

Review of 31 December 2023 versus 31 December 2022

Amount in Million Pesos (except for Earnings per Share (EPS))	For the years ended December 31 2023	2022	Change year-on-year in Pesos	in %
REVENUES				
Real estate sales	3,997.5	3,800.0	197.5	5.2%
Finance income	587.5	491.4	96.1	19.5%
Equity share in net earnings of an associate	0.1	0.2	(0.1)	(35.5%)
Commissions and other income	618.0	415.5	202.5	48.7%
	5,203.1	4,707.1	496.0	10.5%
COSTS AND EXPENSES				
Cost of real estate sales	2,497.4	2,228.0	269.4	12.1%
Finance costs	391.1	398.8	(7.7)	(1.9%)
Operating Expenses	1,336.7	1,123.7	213.0	19.0%
Income taxes	220.0	241.2	(21.2)	(8.8%)
	4,445.2	3,991.7	453.5	11.4%
NET PROFIT	757.9	715.4	42.5	5.9%

Net profit (loss) attributable to:				
Parent company's shareholders	765.7	720.2	45.5	6.3%
Non-controlling interests	(7.8)	(4.8)	(3.0)	(62.1%)
EPS - Basic and Diluted	0.052	0.049	0.003	7.0%

During the twelve-month period, the consolidated net profit amounted to Php757.9 million, with 5.9% increase from previous year's net income of Php715.4 million. Consolidated revenues, composed of Real Estate Sales, Finance Income, Commissions and other income, soared by 10.5% from Php4.7 billion in 2022 to Php5.2 billion in 2023.

Real Estate Sales

The Group registered Real Estate Sales of Php4.0 billion for the year ended 31 December 2023 compared with Php3.8 billion for the year ended 31 December 2022. The sales generated were derived from various projects including Kasara Urban Resort Residences, Pioneer Woodlands, Covent Garden, San Lorenzo Place, Mango Tree Residences, The Paddington Place, The Rochester Garden, The Sonoma, The Cambridge Village, and Little Baguio Terraces.

The Cost of Real Estate Sales amounted to Php2.5 billion for the year ended 31 December 2023 and Php2.2 billion for the year ended 31 December 2022 or 62.5% and 58.6% of Real Estate Sales, respectively. The change was primarily due to the different composition of properties sold for each year.

Gross Profit for the year ended 31 December 2023 and 2022 amounted to Php1.5 billion and Php1.6 billion or 37.5% and 41.4% of Real Estate Sales respectively. The gross profit margin varies depending on the product mix and the competitiveness of prices of each property.

Other Revenues

The Finance Income for the year ended 31 December 2023 and 2022 amounted to Php587.5 million and Php491.4 million or 11.3% % and 10.4% of Total Revenues, respectively. They were derived mostly from in-house financing, short-term investments and various advances from related parties.

Additional sources of revenue were commissions of a subsidiary, rentals of investment properties and those obtained from other sources. Commission and other Income for the year ended 31 December 2023 and 2022 resulted to Php618.0 million and Php415.5 million or 11.9% and 8.8% of Total Revenues, respectively.

Equity share in the net earnings of an associate amounted to Php0.1 million and Php0.2 million for the year ended 31 December 2023 and 2022, respectively.

Operating Expenses

Operating Expenses posted an increase of 19% from Php1.1 billion to Php1.3 billion for the year ended 31 December 2022 and 2023, respectively. Other charges/expenses include Finance Cost of Php391.1 million and Php398.8 million for the year ended 31 December 2023 and 2022, respectively.

Financial Condition

Review of 31 December 2023 versus 31 December 2022

Amount in Million Pesos	**As of December 31**		**Change year-on-year**	
Selected Balance Sheet Data	**2023**	**2022**	**in Pesos**	**in %**
Cash and cash equivalents	3,717.5	3,437.8	279.7	8.1%
Trade and other receivables[1]	13,109.2	11,393.2	1,716.0	15.1%
Contract assets[1]	2,741.2	2,583.1	158.1	6.1%
Advances to related parties	5,467.5	5,084.7	382.8	7.5%
Prepayments and other current assets	1,258.3	944.4	313.9	33.2%
Financial assets at fair value through OCI	1,270.1	1,339.9	(69.8)	(5.2%)
Property and equipment - net	160.9	132.1	28.8	21.7%
Intangible assets-net	34.3	117.8	(83.5)	(70.9%)
Total Assets	**49,499.1**	**47,280.3**	**2,218.8**	**4.7%**
Interest-bearing loans and borrowings[1]	850.0	1,000.0	(150.0)	(15.0%)
Trade and other payables	2,558.7	2,013.7	545.0	27.1%
Customers' deposits	5,140.8	4,485.7	655.1	14.6%

Amount in Million Pesos	As of December 31		Change year-on-year	
Selected Balance Sheet Data	**2023**	**2022**	**in Pesos**	**in %**
Advances from related parties	6,061.7	5,764.7	297.0	5.2%
Contract liabilities[1]	256.8	308.9	(52.1)	(16.9%)
Other current liabilities	1,042.2	891.7	150.5	16.9%
Retirement benefit obligation	154.0	67.7	86.3	127.4%
Total Liabilities	**18,135.5**	**16,520.6**	**1,614.9**	**9.8%**
Revaluation reserves	547.6	701.7	(154.1)	(22.0%)
Retained earnings	9,314.6	8,548.8	765.8	9.0%
Equity Attributable to the Parent Company's stockholders	28,579.3	27,967.6	611.7	2.2%
Non-controlling interests	2,784.3	2,792.1	(7.8)	(0.3%)
Total Equity	**31,363.6**	**30,759.7**	**603.9**	**2.0%**

[1] *Current+Non-current*

Total Assets of the Group as of 31 December 2023 and 2022 amounted to Php49.5 billion and Php47.3 billion, respectively. Cash and Cash Equivalents as of December 31 increased from Php3.4 billion in 2022 to Php3.7 billion in 2023.

The Group remains liquid with Total Current Assets of Php43.3 billion in 2023 and Php42.1 billion in 2022, which accounts for 87.5% and 89.0% of the Total Assets as of 31 December 2023 and 2022, respectively. While Total Current Liabilities amounted to Php15.1 billion in 2023 and Php13.5 billion in 2022.

Total Equity as of December 31 increased from Php30.8 billion in 2022 to Php31.4 billion in 2023 due to the Group's Net Income for the 12-month period, re-measurement of retirement benefit obligation and revaluation of equity investments held by a subsidiary.

For the year ending 31 December 2023 and 2022, the Group sourced its major cash requirements from internally generated funds and partly from borrowings.

The Group utilized its funds for construction and development of projects, loan repayments, settlement of various payables and other operating expenses.

Capital Expenditures

The total project and capital expenditures in 2023 amounted to Php1.8 billion. These were funded by internally generated funds and partly from borrowings.

Material Changes in the 2023 Financial Statements

Statements of Financial Position
(Increase or decrease of 5% or more versus 31 December 2022)

- 8.1% increase in Cash and cash equivalents
  Mainly due to collections from customers and interest on short-term investments

- 15.1% increase in Trade and other receivables – net
  Mainly due to the recognized sales from completed projects for the period

- 6.1% increase in Contract Assets
  Pertains to the progress in the construction of various projects

- 7.5% increase in Advances to related parties
  Primarily due to interest on outstanding advances

- 33.2% increase in Prepayments & other current assets
  Due to transfer related taxes processed during the year and adjustment on deferred commission related to uncompleted projects

- 5.2% decrease in Financial assets at fair value through OCI
  Pertains to the decrease in fair market value of investment in securities held by a subsidiary

- 21.7% increase in Property and equipment - net
  Primarily due to asset acquisition and recognition of Right-of-Use of Asset for the year

- 70.9% decrease in Intangible assets - net
  Pertains to the depreciation and impairment loss of goodwill on a subsidiary recognized for the year

- 15% decrease in Interest-bearing loans and borrowings
  Due to repayment of bank loans

- 27.1% increase in Trade and other payables
  Mainly due to increase in construction activities of various projects

- 14.6% increase in Customers' deposits
  Primarily due to collections from buyers of various projects

- 5.2% increase in Advances from related parties
  Mainly due to interest on outstanding advances to the parent company

- 16.9% decrease in Contract liabilities
  Due to the completion of various towers and construction progress for the other ongoing projects

- 16.9% increase in Other current liabilities
  Mainly due to the portion of the contractors' and suppliers' billings retained by the company to ensure compliance with the contract agreement

- 127.4% increase in Retirement benefit obligation
  Mainly due to the re-measurement of the retirement benefit obligation

- 22% decrease in Revaluation reserve
  Mainly due to decrease in fair market value of investment in securities held by a subsidiary
- 9.0% increase in Retained Earnings
  Pertains to Net Income for the year

Statements of Comprehensive Income
(Increase or decrease of 5% or more versus 31 December 2022)

- 5.2% increase in Real estate sales
  Primarily due to higher sales recognized for the period

- 19.5% increase in Finance income
  Mainly due to interest on the outstanding advances to related parties and short-term investments

- 35.5% decrease in Equity share in net earnings of an associate
  Due to lower net operating income reported by an associate

- 48.7% increase in Commission and other income
  Mainly due to an increase in revenues reported by a subsidiary and other income derived from other related sources

- 12.1% increase in Cost of sales
  Mainly due to increase in real estate sales recorded for the period

- 19% increase in Operating Expenses
  Mainly due to an increase in administrative expenses

- 8.8% decrease in Tax expense
  Mainly due to decrease in taxable income for the year

EXTERNAL AUDITORS; CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

The Company complied with SRC Rule 68, as amended, as prescribed by the Code of Ethics for Professional Accountants as adopted by the Board of Accountancy and the Professional Regulation Commission, and the Company's Manual on Corporate Governance, which requires that the Company's external auditor be rotated or the engagement partner changed after seven (7) years of engagement. A five-year cooling-off period shall be observed in the re-engagement of the same engagement partner. In this regard, starting the year ending 31 December 2023, Mr. Edcel U. Costales, one of the Audit and Assurance Partners of Punongbayan and Araullo (P&A), was designated as the engagement partner for the audit of the Company's financial statements. Mr. Renan A. Piamonte, also one of the Audit and Assurance Partners of P&A, handled the audit of the Company's financial statement for the past seven years from 2016 to 2022.

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.

EXTERNAL AUDIT FEES AND SERVICES

The Board of Directors, after consultation with the Audit Committee, recommends to the stockholders the engagement of the external auditors of the Company. The selection of external auditors is made on the basis of credibility, professional reputation, accreditation with the Philippine Securities and Exchange Commission, and affiliation with a reputable foreign partner.

Pursuant to the Audit Committee Charter, the Company's Audit Committee reviews and approves with the external auditor, before the audit commences, the nature and scope of the audit plans, including scope, audit resources and expenses, and reporting obligations. The Audit Committee likewise evaluates and approves non-audit work by external auditor, including the fees payable therefor, and evaluate any non-audit work undertaken to ensure that the same does not conflict with audit functions. The Chairman then reports to the Board the decisions and recommendations made by the Committee following each meeting.

The professional fees of the external auditors of the Company are approved by the Audit Committee after approval by the stockholders of the engagement and prior to the commencement of each audit season.

The Group's external auditor, Punongbayan & Araullo, billed the amount of Php4,142,500 and Php3,918,000 annually exclusive of VAT for the years ending December 31, 2025 and 2024, respectively, in professional fees for services rendered by it for the audit of the Company's annual financial statements and services that are normally provided by the external auditor in connection with statutory and regulatory filings or engagements for 2025 and 2024. The Company has not engaged external auditors for non-audit services, nor paid non-audit fees.

Apart from the foregoing, no other services were rendered, or fees billed by the Company's external auditors for the years ending December 31, 2025 and 2024.

DISCLOSURE REQUIREMENTS UNDER SECTION 49 OF THE REVISED CORPORATION CODE

In compliance with Section 49 of the Revised Corporation Code, A copy of the minutes of the previous annual stockholders' meeting is attached herein as **Annex "D",** while the list of Disclosure Requirements is attached herein as **Annex "E".**

The Company shall provide, without charge, to each stockholder a copy of its annual report on SEC Form 17-A, upon written request addressed to Empire East Land Holdings, Inc., Attention: The Corporate Secretary, 2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City.

ANNEX "A"

EMPIRE EAST LAND HOLDINGS, INC.

Procedures and Requirements for Voting and Participation in the 2026 Annual Stockholders' Meeting

Pursuant to Article 1, Sections 4 and 6 of the Company's Amended By-Laws, Sections 23 and 57 of the Revised Corporation Code, and SEC Memorandum Circular No. 06, Series of 2020 allowing voting through remote communication or in absentia, Empire East Land Holdings, Inc. (the "Company") will dispense with the physical attendance of its stockholders for the 2026 Annual Stockholders' Meeting ("Annual Meeting"). Instead, the Company will conduct the Annual Stockholders' Meeting scheduled on 09 June 2026 at 8:30 AM by remote communication and will conduct electronic voting *in absentia*.

Only stockholders of record as of **11 May 2026** are entitled to participate and vote in the 2026 Annual Stockholders' Meeting.

The Company has adopted the following procedures and requirements to enable its stockholders to participate and vote in the Annual Stockholders' Meeting.

I. ONLINE REGISTRATION STEPS AND REQUIREMENTS

A. Stockholders may register from 9:00 AM of **19 May 2026** until 5:00 PM of **29 May 2026** to signify his/her/its intention to participate in the Annual Stockholders' Meeting by remote communication. The registration steps and requirements are available the Company's website: http://empire-east.com/asm2026.

B. To register, stockholders shall submit the following requirements to the Office of the Corporate Secretary via email at corporatesecretary@empire-east.com:

B.1 For Individual Stockholders –

(i) Scanned copy of stock certificate issued in the name of the individual stockholder;
(ii) Valid email address and active contact number;
(iii) Scanned copy of valid government-issued identification card; and
(iv) Recent photo of the stockholder.

B.2 For Stockholders with Joint Accounts –

(i) Authorization letter signed by all stockholders indicating the name of the person authorized to cast the vote(s) (the "Authorized Stockholder");
(ii) Scanned copy of the stock certificate issued in the name of the joint stockholders;
(iii) Valid email address and active contact number of the Authorized Stockholder;
(iv) Scanned copy of valid government-issued identification card of the Authorized Stockholder; and
(v) Recent photo of the Authorized Stockholder.

B.3 For Stockholders under PCD Participant/Brokers Account or holding 'Scripless Shares'-

(i) Stockholders should coordinate with their broker and request for the full account name and reference number or account number they provided the Company;
(ii) Broker's Certification on the stockholder's number of shareholdings;
(iii) Valid email address and active contact number of the stockholder;
(iv) Scanned copy of valid government-issued identification card of stockholder; and
(v) Recent photo of the stockholder.

B.4 For Corporate Stockholders –

(i) Secretary's Certificate attesting to the authority of the representative to vote the shares on behalf of the corporate stockholder (the "Authorized Representative");

(ii) Scanned copy of stock certificate issued in the name of the corporate stockholder;
(iii) Valid email address and active contact number of Authorized Representative;
(iv) Valid government-issued identification card of Authorized Representative; and
(v) Recent photo of the Authorized Representative.

c. The documents submitted will then be verified by the Office of the Corporate Secretary. The validation process will be completed by the Company by **01 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 Company's electronic voting and to access the Annual Meeting livestreaming link.

II. ELECTRONIC VOTING IN ABSENTIA

A. Duly registered stockholders have the option to vote for the matters contained in the agenda for the Annual Meeting through electronic voting *in absentia*. In order to do so, the stockholder must register and submit his/her accomplished ballot not later than 5:00 PM of **29 May 2026**. Beyond this date, stockholders may no longer avail of the option to electronically vote *in absentia.*

B. The ballot shall be available for download at http://empire-east.com/asm2026, and shall be accomplished as follows:

(1) 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.

(2) 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 or it owns.

(3) Once voting on the agenda items is finished, the stockholder can proceed to submit the accomplished ballot via email to corporatesecretary@empire-east.com not later than 5:00 PM of **29 May 2026.**

(4) After the ballot has been submitted, the stockholder may no longer change his/her vote. The stockholder will receive a confirmation email that his/her/its vote has been recorded.

C. Thereafter, the Office of the Corporate Secretary, through election inspectors appointed for the meeting, shall tabulate all valid and confirmed votes cast through electronic voting, together with the votes through proxies, subject to validation by representatives of the Company's external auditors.

D. Registered stockholders shall have until 5:00 PM of **29 May 2026** to cast their votes *in absentia.* Stockholders will not be allowed to cast votes during the live stream of the Annual Meeting.

III. VOTING BY PROXY

A. For individual stockholders holding certificated shares of the Company – Download the proxy form that is available at http://empire-east.com/asm2026.

B. For stockholders holding 'scripless' shares, or shares held under a PCD Participant/Broker – Download the proxy form that is available at http://empire-east.com/asm2026. Stockholders are advised to coordinate with their brokers first for the execution of this type of proxy.

C. For corporate stockholders - Download the proxy form that is available at http://empire-east.com/asm2026. A copy of the duly signed and notarized Secretary's Certificate must be submitted together with the proxy form. For reference, a sample Secretary's Certificate is also available at http://empire-east.com/asm2026.

C. General Instructions on Voting by Proxy:

(1) Download and fill up the appropriate proxy form. Follow the instructions on how to cumulate or allocate votes in the election of directors.

(2) Send the scanned copy of the duly executed proxy form via email to corporatesecretary@empire-east.com or submit the original proxy form to the Office of the Corporate Secretary at 2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City 1552.

(3) Deadline for the submission of proxies is 5:00 PM of **29 May 2026**.

(4) Validation of proxies will be on **01 June 2026.**

(5) If a stockholder avails of the option to cast his/her vote electronically *in absentia* and also issues proxy votes with differing instructions, the duly accomplished ballots sent through e-mail shall replace the proxy votes issued by the stockholder.

IV. PARTICIPATION BY REMOTE COMMUNICATION

A. Only duly registered stockholders will be included in determining the existence of a quorum.

B. Duly registered stockholders may send their questions and/or comments prior to the Annual Meeting through email at corporatesecretary@empire-east.com. The deadline for submitting questions shall be at 5:00 PM of **29 May 2026**.

C. The proceedings during the Annual Meeting will be recorded.

V. DATA PRIVACY

Stockholder's data will be collected, stored, processed and used exclusively for the purposes of processing and verifying the stockholders' electronic registration and votes for the 2026 Annual Stockholders' Meeting. In order to meet privacy obligations under the Data Privacy Act of 2012, stockholder's registrations and votes will be stored in accordance with the statutory retention periods.

For any questions or clarifications, please contact the Office of the Corporate Secretary via email at corporatesecretary@empire-east.com.

ANNEX "B"

CERTIFICATION ON CONNECTION WITH GOVERNMENT AGENCIES AND INSTRUMENTALITIES

REPUBLIC OF THE PHILIPPINES)
Mandaluyong City) S.S.

CERTIFICATION

I, **DENNIS E. EDAÑO**, of legal age, Filipino, and with office address at the 2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills 1552 Mandaluyong City, Metro Manila, Philippines, after having been duly sworn in accordance with law, do hereby depose and state that:

1. I am the duly elected and qualified Corporate Secretary of **EMPIRE EAST LAND HOLDINGS, INC.** (the "**Company**"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at 2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills 1552 Mandaluyong City, Metro Manila, Philippines.

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

3. To the best of my knowledge, I certify that none of the members of the Board of Directors, including the independent director and officers of the Company, 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 and apart from the foregoing, none of the nominees to the Board of Directors in the 2026 Annual Stockholders' Meeting and the candidates for appointment 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 ___ day of 14 APR 2026 in Mandaluyong City, Philippines.

DENNIS E. EDAÑO
Corporate Secretary

SUBSCRIBED AND SWORN to before me, a notary public in and for the city named above, personally appeared Dennis E. Edaño exhibiting to me his Driver's License No. C06-94-007966 expiring on June 11, 2033, who is personally known to me to be the same person who executed the foregoing instrument, signed the same in my presence and who took an oath before me, as to such instrument.

Doc. No. 38 ;
Page No. 9 ;
Book No. V ;
Series of 2026.

MARIA ISABELLA C. ABRILLO
NOTARY PUBLIC
ROLL NO. 78379
MANDALUYONG CITY, PHILIPPINES

MARIA ISABELLA C. ABRILLO
Notary Public for Mandaluyong City
Commission No. 0781-25 until December 31, 2026
IBP No. INV 577925; 12/30/2025; Quezon City Chapter
PTR No. 5925443; 01/05/2026; Mandaluyong City
Roll of Attorney No. 78379
MCLE Compliance No. VIII-0034404;05/16/2025;Pasig City
2/F The Paddington Place, 632 Shaw Boulevard,
Barangay Highway Hills, 1552 Mandaluyong City

ANNEX "C"

CERTIFICATION OF INDEPENDENT DIRECTORS

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **CRESENCIO P. AQUINO**, of legal age, Filipino, and a resident of No 8 Apeecho Street, Portofino Heights, Daang Hari, Almanza Dos, Las Pinas, Metro Manila, Philippines, after having been duly sworn in accordance with law do hereby declare that:

1. I am a nominee for independent director of **EMPIRE EAST LAND HOLDINGS, INC.** (the "**Company**"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at the 2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills 1552 Mandaluyong City, Metro Manila, Philippines, and have been its independent director since 15 February 2018.

2. I am affiliated with the following companies or organizations:

Company/Organization	Position/Relationship	Period of Service
Megaworld Corporation	Independent Director	2018 - Present
Global-Estate Resorts, Inc.	Independent Director	2018 - Present
Global One Hotel Group, Inc.	Independent Director	2025 - Present

3. I possess all the qualifications and none of the disqualifications to serve as an independent director of the Company, 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 Company, 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 Company of any changes in the above-mentioned information within five (5) days from its occurrence.

[*Signature page follows.*]

24 APR 2026 MAKATI CITY

Done, this ____________ at ____________, Philippines.

CRESENCIO P. AQUINO
24 APR 2026 Affiant

SUBSCRIBED AND SWORN to before me this ____________ at MAKATI CITY, Philippines, affiant personally appeared before me and exhibited to me his Passport Number P8626994A issued on September 6, 2018 expiring on September 5, 2028.

Doc. No. 520;
Page No. 105;
Book No. 117;
Series of 2026.

ATTY. RAYMOND A. RAMOS
COMMISSION NO. M-229
NOTARY PUBLIC FOR MAKATI CITY
UNTIL DECEMBER 31, 2026
2364 ANGONO STREET
BARANGAY POBLACION 1210, MAKATI CITY
SC Roll No. 62179/04-26-2013
IBP NO. 536461/01-05-2026/Pasig City
PTR NO. MKT 10764120/01-05-2026/Makati City
MCLE Compliance No. VIII-0012898/04-14-2028

CERTIFICATION OF INDEPENDENT DIRECTOR

I, **SERGIO R. ORTIZ-LUIS, JR.**, of legal age, Filipino, and a resident of 151 10th Ave. cor. 3rd St. Riverside Village, Brgy. Sta. Lucia, Pasig City, Metro Manila, Philippines, after having been duly sworn in accordance with law do hereby declare that:

1. I am a nominee for independent director of **EMPIRE EAST LAND HOLDINGS, INC.** (the "**Company**"), a corporation duly organized and existing under and by virtue of the laws of the Republic of the Philippines, with principal office at the 2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills 1552 Mandaluyong City, Metro Manila, Philippines, and have been its independent director since 21 June 2022.

2. I am affiliated with the following companies or organizations:

Company/Organization	Position/ Relationship	Period of Service
MREIT, Inc.	Independent Director	2021 - Present
Philippine Chamber of Commerce and Industry (PCCI)	Honorary Chairman & Treasurer	2012 - Present
Philippine Exporters Confederation Inc. (PHILEXPORT)	President	1991 - Present
Employers Confederation of the Philippines (ECOP)	President	2011 - Present
International Chambers of Commerce Philippines	Director	2012 - Present
Philippine International Airways	Chairman	2009 - Present
National Center for Mediation	Chairman	2015 – Present
Waterfront Philippines, Inc.	Chairman	2008 – Present
VC Securities Corporation	Vice Chairman	2016 - Present
Acesite Hotel Philippines, Inc.	Vice Chairman	2008 - Present
GS1 (formerly Phil. Article Numbering Council)	Director	1995 - Present
The Wellex Group	Director	2008 - Present
Manila Exposition Complex, Inc.	Director	1997 - Present
La SalleTech Academy, Inc.	Director	2000 - Present
BA Securities	Director	2012 - Present
LikeCash Asia & Pacific Corp	Director	2015 - Present
Alliance Energy Power and Development, Inc.	Director	2018 - Present
Philippine Estates Corporation	Director	2011-Present
SPC Power Corporation	Independent Director	2017 - Present
Jolliville Holdings Corporation	Independent Director	2014 - Present
Global Ferronickel Holdings, Inc.	Independent Director	2020 - Present
Export Development Council	Vice Chairman (Private Sector – Traditional Sector)	1994 – Present
The Philippine Bamboo Council	Private Sector Representative	2021 – Present
Council of Adviser Makati City	Member	2022 - Present

3. I possess all the qualifications and none of the disqualifications to serve as an independent director of the Company, 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 Company, 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 Company of any changes in the above-mentioned information within five (5) days from its occurrence.

[*Signature page follows.*]

24 APR 2026 MAKATI CITY

Done, this ____________ at ____________, Philippines.

SERGIO R. ORTIZ-LUIS, JR.
Affiant

24 APR 2026 MAKATI CITY

SUBSCRIBED AND SWORN to before me this ____________ at ________, Philippines, affiant personally appeared before me and exhibited to me his Passport Number P5889673B issued on December 2, 2020 expiring on December 1, 2030.

Doc. No. 59;
Page No. 108;
Book No. 412;
Series of 2026.

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ANNEX "D"

MINUTES OF THE 2025 ANNUAL STOCKHOLDERS' MEETING

Draft only; For approval in the next stockholders' meeting.

EMPIRE EAST LAND HOLDINGS, INC.
MINUTES OF THE ANNUAL MEETING OF STOCKHOLDERS
10 June 2025 / 8:30 a.m.
Conducted virtually via https://www.empire-east.com/asm2024

Total Number of Shares Present	Total Number of Outstanding and Voting Shares as of Record Date	Percentage of Total
12,226,382,932	14,676,199,167	83.31%

Stockholders Present and Represented

Please see Annex "A"

Directors Present:

Andrew L. Tan	-	Chairman Chairman, Executive Committee
Anthony Charlemagne C. Yu	-	Director and President Member, Executive Committee
Lino P. Victorioso, Jr.	-	Director Member, Executive Committee and Audit Committee Chief Financial Officer, Corporate Information Officer and Compliance Officer
Enrique Santos L. Sy	-	Director Member, Corporate Governance Committee, Board Risk Oversight Committee and Related Party Transaction Committee
Kevin Andrew L. Tan	-	Director
Cresencio P. Aquino	-	Lead Independent Director Chairman, Audit Committee, Corporate Governance Committee and Related Party Transaction Committee Member, Board Risk Oversight Committee
Sergio R. Ortiz-Luis, Jr.	-	Independent Director Chairman, Board Risk Oversight Committee Member, Audit Committee, Corporate Governance Committee and Related Party Transaction Committee

Also Present:

Dennis E. Edaño	-	Corporate Secretary / Presiding Officer
Celeste Z. Sioson-Bumatay	-	Assistant Corporate Secretary / Secretary of the Meeting
Jhoanna Lyndelou T. Llaga	-	Senior Vice President for Marketing and Chief Marketing Officer
Cosca Camille M. Tuason	-	Assistant Vice President for Human Resources
Gemma O. Romero	-	Vice President for Project Development, Administration, and General Services Department

Andy Dela Cruz	-	Investor Relations Officer
Edcel Costales	-	External Auditor, Punongbayan & Araullo
Romualdo V. Murcia III	-	External Auditor, Punongbayan & Araullo
Kim Elizabeth Maxwell	-	Stock Transfer Agent, BDO Trust and Investments Group

I. CALL TO ORDER

Atty. Dennis E. Edaño, the Corporate Secretary, who was requested to act as Presiding Officer, called the meeting to order at 8:30 a.m. and presided over the meeting. The Assistant Corporate Secretary, Atty. Celeste Z. Sioson Bumatay, recorded the proceedings of the meeting.

II. PROOF OF NOTICE AND DETERMINATION OF QUORUM

The Presiding Officer stated that the Management of the Company decided to hold this year's Annual Stockholders' Meeting (the "Meeting") by remote communication pursuant to the Amended By-Laws, the Revised Corporation Code, and relevant regulations of the Securities and Exchange Commission (SEC). The Company has adopted measures to afford the stockholders the opportunity to participate in the Meeting as effectively as a physical meeting.

The Assistant Corporate Secretary certified that all stockholders of record as of 16 May 2025 have been notified of the Meeting pursuant to the Company's Amended By-Laws and applicable SEC Circulars. Copies of the Notice of the Annual Meeting, the Agenda, and the Definitive Information Statement were made available through the Company's website and the PSE Electronic Disclosure Generation Technology or PSE EDGE. The Notice of the Annual Meeting was also published in the Philippine Daily Inquirer and the Philippine Star on 19 and 20 May 2025. She also certified that there exists a quorum to transact the business in the agenda for Meeting, there being present either in their own capacity or represented by proxy stockholders holding 83.31% of the entire subscribed and outstanding capital stock of the Company.

The Assistant Corporate Secretary then explained the Procedures for Registration, Voting and Participation in the Meeting which were contained in the Definitive Information Statement and implemented as follows:

1. Stockholder signifying their intention to participate by remote communication have registered by submitting the requirements by email to the Corporate Secretary at corporatesecretary@empire-east.com;

2. Stockholders who have duly registered to participate by remote communication have casted their votes by proxy or in absentia by sending their accomplished ballots by email to the Corporate Secretary until 5:00pm of 28 May 2025;

3. Stockholders who have duly registered have sent their questions and/or comments prior to the meeting by email to the Corporate Secretary until 5:00pm of 28 May 2025;

4. Proxies submitted by the stockholders have been validated by the Office of the Corporate Secretary, and quorum has been confirmed by the Company's Stock Transfer Agent, BDO – Trust and Investments Group;

5. The Office of the Corporate Secretary has tabulated all valid and confirmed votes cast through electronic voting, together with the votes through proxies;

6. The voting results will be announced during the meeting and reflected in the minutes of the meeting; and

7. The resolutions proposed to be adopted at the Meeting will be shown on the screen.

III. APPROVAL OF MINUTES OF THE PREVIOUS ANNUAL MEETING

The Presiding Officer then proceeded with the approval of the minutes of the Annual Stockholders' Meeting held on 11 June 2024, and informed the stockholders that a copy of the minutes of the 2024 Annual Stockholders' Meeting was made available through the Company website and attached to the Definitive Information Statement.

The Assistant Corporate Secretary announced that 100% of the voting shares represented in the Meeting have voted in favor of the approval of the minutes of the Annual Stockholders' Meeting held on 11 June 2024. Therefore, the Presiding Officer declared that the following resolution has been approved:

"RESOLVED, that the stockholders approve the minutes of the Annual Stockholders' Meeting held on 11 June 2024."

The result based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	12,225,249,932	-	133,000
% of Outstanding Shares Present	100%		0.00%

IV. ANNUAL REPORT OF THE MANAGEMENT

The Presiding Officer then turned the floor over to the President, Atty. Anthony Charlemagne C. Yu, who delivered the Management's Message and report on the Corporation's performance for the year 2024, as follows:

Dear Stockholders, Members of the Board, Officers and Employees of the Company, Good Day.

2024 marked a defining milestone in Empire East's journey—not only because we celebrated our 30th year in the real estate industry, but because we proved, once again, that breakthroughs are not a matter of chance, but the result of vision, discipline, and courage. Empire East delivered one of its strongest financial and operational performances in a volatile market shaped by post-pandemic shifts, elevated inflation, and global uncertainty. Reservation sales reached nearly Php 12.2 billion, reflecting the continued trust of our homebuyers and the resilience of our business strategy. We now manage an asset base of Php 50 billion and hold a 426-hectare land bank, strategically positioning us for long-term value creation and sustained growth. These figures are not merely numbers but a testament to our steadfast move forward with precision, purpose, and an unwavering drive for impact.

Since 1994, Empire East has been defined by its ability to lead change. From pioneering townships like Laguna Bel Air and transit-oriented developments such as San Lorenzo Place and Pioneer Woodlands, to reimagining affordability with No Down Payment schemes and high-rise communities that prioritize connectivity—we have not followed trends. We have set them. This forward-thinking mindset continues to shape our approach as we look to the future. In 2024 alone, we had 11 residential towers under construction and four more in advanced stages of development—all designed *to meet the evolving needs of urban and suburban Filipino families. Our investment in future-ready homes and our reimagined township projects reflect a stronger focus on smart design, mobility, and green integration.*

Our sustainability journey is no longer exploratory but embedded in how we plan, build, and grow. In 2024, we took measurable steps to reduce our environmental footprint: implementing the 5-S Waste Management Framework, integrating eco-efficient construction materials, and expanding the Highland Forest phase at Empire East Highland City to foster greener, healthier communities. These initiatives align with Megaworld's MEGreen and AGI's SustainAGIlity programs, affirming our role in a shared commitment to responsible development across the Alliance Global Group. We are also enhancing carbon footprint monitoring, scaling sustainable design across our projects, and partnering with communities to build long-term environmental and social impact.

To serve our customers better and move with greater agility, we accelerated our digital transformation in 2024. Internally, we launched over 100 automation programs to streamline workflows, enhance responsiveness, and future-proof our operations. For our clients, we introduced a seamless experience through platforms like the Ask About Your Home portal and our partnership with Pilipinas Teleserv, providing homebuyers with faster, more transparent access to essential documents. These innovations build the foundation for a smarter, more connected Empire East.

No breakthrough is possible without the people who make it happen. In 2024, we doubled on employee development, mental wellness, and inclusivity. We also continued our Adopt-a-School program and expanded community partnerships focused on waste management and sustainability education. These initiatives go beyond compliance—they are rooted in our belief that nation-building starts with responsible homebuilding.

As we enter our fourth decade, Empire East emerges stronger, more agile, and better prepared than ever. Our Php 25 billion capital expenditure plan over the next five years aims to support creating more resilient, sustainable, and accessible communities, perfectly aligned with customer expectations and global environmental and social standards. Alongside our affiliates across the Alliance Global Group, under the visionary leadership of our Chairman, Dr. Andrew L. Tan, and CEO, Mr. Kevin Tan, we are building toward a bolder future—guided by shared purpose, long-term value creation, and a deep commitment to a better, more inclusive tomorrow.

To our stockholders, your confidence fuels our progress.

To our homeowners and partners, you remain the reason we build with purpose.

To our employees, your passion transforms trailblazing ideas into lasting breakthroughs.

Thank you for continuing to shape the future with us.

The next chapter begins with greater focus, stronger momentum, and a bolder vision.

Thank you and Good day.

The Presiding Officer then requested the Corporate Information Officer, Mr. Lino P. Victorioso, Jr., to read the questions that were sent by the stockholders. Atty. Yu answered the questions.

Question: There is growing concern about disinformation and online noise influencing brand reputation. How is Empire East managing its communications and stakeholder relations in the digital age?

Answer: We take digital reputation seriously. In the age of instant feedback and viral content, transparency and responsiveness are crucial. Empire East has strengthened its online presence not only to promote our projects but to listen and respond to, and resolve any issues. Our customer care teams monitor feedback across platforms and actively engage with both legitimate inquiries and potential misinformation. We also launched more proactive educational content about property ownership and project updates to foster trust. More than ever, we're committed to being a responsive, homebuyers-first brand.

Question: What is your outlook for the real estate industry in 2025, and how is Empire East preparing for the future, especially in light of digital transformation and changing buyer behavior?

Answer: Our view is cautiously optimistic. Macro-indicators show stability, and the 2025 mid-term elections spurred higher spending and infrastructure momentum. While interest rates may remain elevated in the short term, the demand for housing—especially in the mid-market segment—remains very strong. Empire East is focused on transit-oriented and master-planned developments that benefit from long-term urbanization trends. With a ₱25-billion capex pipeline over the next five years and a 426-hectare land bank, we are well-positioned to lead sustainable growth while offering high-value products in strategic locations.

To your question on how Empire East is preparing for the future in light of digital transformation and changing buyer behavior, we note that today's market is shaped by speed, personalization, and transparency. Empire East is investing heavily in digitalization to meet these demands. As mentioned, internally, we have automated over 100 workflows—from permits and procurement to client notifications—boosting efficiency and responsiveness. For buyers, we offer online reservation systems, virtual project tours, and our AskAboutYourHome.com portal for real-time updates. We are also looking into AI-driven customer engagement and smarter dashboards for internal analytics.

These aren't just tech upgrades—they're steps toward a more agile, customer-centric organization ready for the next decade.

Question: S&P Global, a leading credit rating and financial analytics firm, recently praised top developers like Megaworld for pivoting toward high-end developments, citing an oversupply in the mid- to low-income residential market. Since Empire East targets the middle-income segment, how do you respond to this?

Answer: The oversupply perception doesn't fully apply to end-user-driven developers like Empire East. Our focus is not on speculative, high-turnover units but on essential housing for working Filipinos and young families—a segment with sustained demand.

While some pockets of oversupply exist, especially in investor-heavy and investor-dependent areas, the broader housing backlog and urban migration trends continue to drive strong need for well-located, affordable homes.

As part of the Megaworld Group, we benefit from group-level strategy while maintaining our unique market niche—building for where real demand exists.

Question: Recently, the United States imposed extreme tariffs on goods exported by other countries, especially China. Do you see that this trade war would affect local industries and possibly the real estate sector?

Answer: The ripple effects of such major trade policies are far-reaching. While the direct impact on real estate may not be immediate, these global shifts can influence supply chains, construction material costs, and overall economic sentiment. If global uncertainty intensifies, investor confidence may temporarily soften. However, the Philippines remains an attractive alternative for supply chain diversification in Southeast Asia, which could spur more BPO expansion and local demand for housing. We continuously monitor these developments and calibrate our procurement strategies to protect project margins and maintain our competitive pricing.

Question: Climate change is causing more frequent and severe natural disasters in the country. What is Empire East doing to ensure the resilience of its developments?

Answer: In 2024, we embedded sustainability more deeply into our operations. Our 5-S Waste Management Framework is now active across key project sites. We've shifted to eco-efficient construction materials and expanded the Highland Forest phase at Empire East Highland City to support urban biodiversity. We are also working on enhancing carbon footprint monitoring and integrating green features—from solar lighting to water recycling systems—across future developments.

Resilience is no longer optional—it's an essential part of real estate development. We conduct thorough geohazard assessments before land acquisition and integrate disaster-resilient design elements such as flood-mitigation systems, seismic compliance, and wind load considerations. Our planning teams work closely with engineers and local government units to ensure our projects meet the latest safety standards. At the township level, we incorporate open green spaces and water absorption zones, such as the Highland Forest and Highland Park in Empire East Highland City, which act as natural buffers. Protecting lives and properties is at the heart of our planning philosophy.

Question: With inflation still a concern for many Filipino families, how is Empire East making its projects more accessible to budget-conscious buyers?

Answer: We understand that rising costs of living impact how families make big-ticket decisions like home buying. That's why Empire East has maintained its commitment to affordability and flexibility. Our "No Down Payment" and extended payment term schemes remain a cornerstone of our offerings. We also optimize unit layouts and construction timelines to keep pricing competitive without compromising quality. By working closely with banks and offering promo terms during key campaigns, we continue to make homeownership within reach for the hardworking Filipino homebuyers.

Besides, recently, inflation eased to 1.4% in April, from 1.8% in March, on the back of slower price increase in food and lower transport costs. As it is, benign inflation would give the Bangko Sentral ng Pilipinas more room to further ease monetary policy settings. This can support economic growth at a time of tariff-induced global uncertainties.

V. APPOINTMENT OF EXTERNAL AUDITORS

The Presiding Officer informed the stockholders that the Board of Directors, upon recommendation of the Audit Committee, has approved the engagement of Punongbayan & Araullo as the Company's external auditors for the year ending December 31, 2025. The engagement of Punongbayan & Araullo as the Company's external auditors for the year ending December 31, 2025 was then submitted to the stockholders, for their consideration.

The Assistant Corporate Secretary certified that 100% of the voting shares represented in the Meeting have voted in favor of the engagement of Punongbayan & Araullo as external auditors for the year ending December 31, 2025. Therefore, the Presiding Officer declared that the following resolution has been approved:

"RESOLVED, that the stockholders approve the appointment of Punongbayan & Araullo as the external auditor of the Corporation for the audit of the Corporation's financial statements for the year ending December 31, 2025."

The result based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	12,226,249,932	-	133,000
% of Outstanding Shares Present	100%		0.00%

VI. RATIFICATION OF ACTS AND RESOLUTIONS OF THE BOARD OF DIRECTORS, BOARD COMMITTEES AND MANAGEMENT

The Presiding Officer then stated that the next item in the agenda is the ratification of all acts and resolutions of the Board of Directors, Board Committees and Management since the date of last year's Annual Stockholders' Meeting held on 11 June 2024 until 09 June 2025. A list of such acts was provided in the Definitive Information Statement distributed to the stockholders.

The Assistant Corporate Secretary certified that 100% of the voting shares represented in the Meeting have voted in favor of the ratification of all the acts and resolutions of the Board of Directors, Board Committees and Management, which were duly adopted in the ordinary course of business since the date of last year's Annual Stockholders' Meeting held on 11 June 2024 until 09 June 2025. Therefore, the Presiding Officer declared that the following resolution has been approved:

"RESOLVED, that the stockholders ratify each and every act and resolution taken since the Annual Stockholders' Meeting on 11 June 2024 to 09 June 2025 (the "Period") of the Board of Directors (the "Board"), the Board Committees exercising powers delegated by the Board, and each and every act, during the Period, of the Management of the Corporation performed in accordance with the resolutions of the Board, the Board Committees as well as the By-Laws of the Corporation."

The result based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	12,226,249,932	-	133,000
% of Outstanding Shares Present	100%		0.00%

VII. ELECTION OF DIRECTORS

The Presiding Officer informed the stockholders that the Company shall be electing seven (7) directors, at least two of whom shall be independent directors pursuant to the Securities and Regulation Code and the Revised Manual of Corporate Governance.

On behalf of the Corporate Governance Committee, Mr. Lino P. Victorioso Jr. presented the Final List of Nominees to the Board of Directors, namely: Dr. Andrew L. Tan, Atty. Anthony Charlemagne

C. Yu, Mr. Kevin Andrew L. Tan, Mr. Lino P. Victorioso, Jr. and Mr. Enrique Santos L. Sy for regular directors, and Atty. Cresencio P. Aquino and Mr. Sergio R. Ortiz-Luis Jr. for independent directors. Furthermore, Mr. Victorioso reported that the nominees for election as directors of the Company possess all the qualifications and none of the disqualifications to hold office as directors of the Company.

The Assistant Corporate Secretary presented the voting results and certified that each of the nominees have obtained number of votes to be elected as members of the Board.

The results based on the votes cast are as follows:

Director	For	Against	Abstain
Andrew L. Tan	12,223,408,932	2,841,000	133,000
Anthony Charlemagne C. Yu	12,226,249,932	-	133,000
Cresencio P. Aquino	12,223,408,932	2,841,000	133,000
Enrique Santos L. Sy	12,223,408,932	2,841,000	133,000
Sergio R. Ortiz-Luis, Jr.	12,223,408,932	2,841,000	133,000
Kevin Andrew L. Tan	12,223,408,932	2,841,000	133,000
Lino P. Victorioso, Jr.	12,223,408,932	2,841,000	133,000

VIII. AMENDMENT OF THE ARTICLES OF INCORPORATION BY CHANGING THE PRINCIPAL OFFICE ADDRESS, AND AMENDING THE THIRD ARTICLE OF THE ARTICLES OF INCORPORATION FOR THE PURPOSE

The Presiding Officer then stated that the next item in the agenda is the amendment of the Third Article of the Amended Articles of Incorporation to change the Company's principal office address from "2F Tower 2, Kasara Urban Resort Residences, P. Antonio St., Barangay Ugong, Pasig City 1604 Metro Manila, Philippines" to "2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills 1552 Mandaluyong City, Metro Manila, Philippines". The proposed amendment was approved by the Board of Directors at its meeting held on 28 April 2025.

The Assistant Corporate Secretary presented the voting results and certified that at least two-thirds (2/3) of the Company's outstanding capital stock have voted in favor of the approval of the amendment. Therefore, the Presiding Officer declared that the following resolution has been approved:

> ***"RESOLVED, that the stockholders approve the amendment of the Third Article of the Articles of Incorporation by changing the Corporation's principal office address to "2F The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills 1552 Mandaluyong City, Metro Manila, Philippines", and accordingly, the Third Article of the Articles of Incorporation shall read as follows:***
>
> ***'THIRD: That the place where the principal office of the Corporation is to be established or located is at the 2F The Paddington Place 632 Shaw Boulevard, Barangay Highway Hills 1552 Mandaluyong City, Metro Manila, Philippines.;"***

The results based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	12,226,249,932	-	133,000
% of Outstanding Shares Present	83.31%		0.00%

IX. AMENDMENT OF THE BY-LAWS ON THE CONDUCT OF ANNUAL AND SPECIAL MEETINGS OF THE STOCKHOLDERS, SENDING OF NOTICES, AND THE CONDUCT OF MEETINGS OF THE BOARD OF DIRECTORS, AND AMENDING ARTICLE I, SECTIONS 1, 2 AND 3, AND ARTICLE II, SECTION 3 OF THE BY-LAWS FOR THE PURPOSE

The Presiding Officer then stated that the next item in the agenda is the amendment of Article I, Sections 1, 2 and 3, and Article II, Section 3 of the By Laws on the conduct of Annual and Special Meetings of Stockholders, sending of notices and conduct of meetings of the Board of Directors. Stockholders' approval was being sought for the amendment in order to: (i) comply with the provisions in the Revised Corporation Code, and other relevant rules and regulations and good corporate governance standards; (ii) to remove the time fixed for the holding of the annual stockholders' meeting to afford flexibility in scheduling the meeting; (iii) to allow the holding of stockholders' meeting fully or partially through teleconferencing, video conferencing or other remote or electronic means of communication, in accordance with the relevant regulations of the Securities and Exchange Commission, and consistent with prevailing practices by publicly-listed corporations; and (iv) to provide for alternative means for sending of notices of annual and special meetings to stockholders, as well as sending of notices of Board meetings to directors, in accordance with the relevant regulations of the Securities and Exchange Commission and consistent with prevailing practices by publicly-listed corporations. The proposed amendment was approved by the Board of Directors at its meeting held on 28 April 2025.

The Assistant Corporate Secretary presented the voting results and certified that at least two-thirds (2/3) of the Company's outstanding capital stock have voted in favor of the approval of the amendments. Therefore, the Presiding Officer declared that the following resolution has been approved:

"RESOLVED, that the stockholders approve the amendment of Article I, Sections 1, 2 and 3, and Article II, Section 3 of the By Laws on the conduct of Annual and Special Meeting of the Stockholders, sending of notices, and the conduct of meetings of the Board of Directors, and accordingly, Article I, Sections 1, 2 and 3, and Article II, Section 3 of the By Laws shall read as follows:

Article I, Section 1

SECTION 1. Annual Meetings. - The annual meeting of the stockholders shall be held at the principal office of the Corporation, or, if not practicable, in any city where the principal office of the Corporation is located, on the second Tuesday of June of each year, unless such day is a legal holiday, in which case it shall be held on the next business day following.

Upon the determination of the Board of Directors, the Corporation may conduct the annual meeting of the stockholders fully or partially through teleconferencing, video conferencing or other remote or electronic means of communication, in accordance with the relevant regulations of the Securities and Exchange Commission.

Article I, Section 2

SECTION 2. Special Meetings. Special meetings of the stockholders may be called by the President, or by the majority of the Board of Directors, whenever he or they shall deem it necessary.

Upon the determination of the Board of Directors, the Corporation may conduct the special meeting of the stockholders fully

or partially through teleconferencing, video conferencing or other remote or electronic means of communication, in accordance with the relevant regulations of the Securities and Exchange Commission.

Article I, Section 3

SECTION 3. Notices. Notices of the time and place of the annual and special meetings of the stockholders shall be given either: (i) by mailing the same enclosed in a postage prepaid envelope, addressed to each stockholder of record at the address left by such stockholder with the Secretary of the Corporation, or at his last known post office address, (ii) by delivering the same to him in person, (iii) through electronic mail, electronic transmission or other recognized means of electronic transfer or data or information; (iv) by publishing the notice of meeting in the business section of two (2) newspapers of general circulation, in print and online format, for two consecutive days, or (v) by such other manner as the Securities and Exchange Commission shall allow under its guidelines, no later than twenty-one (21) days prior to the date of the meeting. In the case of sending of notices by publication, the last publication of the notice of meeting (print and online) shall be made no later than twenty-one (21) days prior to the scheduled annual meeting or one (1) week prior to the scheduled special meeting. The Board of Directors shall determine the manner of sending the notices of meeting, taking into account the requirements under relevant regulations of the Securities and Exchange Commission.

The notice of meeting shall inform the stockholders of the following:
1. Date, time and place of meeting and other information as may be required under the Revised Corporation Code and other regulations of the Securities and Exchange Commission; and
2. As applicable, the availability of an electronic copy of the Information Statement, Management Report, SEC Form 17-A and other pertinent documents, as may be necessary under the given circumstance: (a) on the Corporation's website, and (b) on PSE Edge or any successor facility.

Notice to any special meeting must state, among others, the matters to be taken up in the said meeting, and no other business shall be transacted at such meeting except by consent of all the stockholders present, entitled to vote.

Stockholders entitled to vote may, by written consent, waive notice of the time, place and purpose of any meeting of stockholders and any action taken at meetings pursuant to such waiver shall be valid and binding.

Article II, Section 3

Section 3. Board Meetings. The Board of Directors shall hold regular meetings at least six (6) times in a year, the schedule of which shall be fixed before the start of the year, at such time and place as said Board may prescribe. Special meetings of the Board may be called by the President, or by written request by any two (2) Directors. Notice of any special meeting of the Board of Directors shall be mailed to each

Director at his last known post-office address or delivered to him personally or left at his office, or transmitted by telegraph or telephone, e-mail, or any other electronic means, at least two (2) days previous to the date fixed for the meeting, unless notice of meeting is waived by the director expressly or impliedly. No notice need be given of regular meetings of the Board at a time and place previously fixed by the Board of Directors.

Directors may participate and vote in their meetings through remote communication such as videoconferencing or teleconferencing, and shall be deemed present for purposes of determining the existence of quorum."

The results based on the votes cast are as follows:

	For	Against	Abstain
Number of Shares Voted	12,226,249,932	-	133,000
% of Outstanding Shares Present	83.31%		0.00%

X. OTHER MATTERS

The Presiding Officer inquired if there are other matters in the agenda. The Assistant Corporate Secretary replied there were none.

XI. ADJOURNMENT

There being no other matters to be discussed, the Meeting was adjourned at 9:13 a.m.

CERTIFIED TRUE & CORRECT:

CELESTE Z. SIOSON-BUMATAY
Assistant Corporate Secretary

ATTESTED BY:

ANDREW L. TAN
Chairman

DENNIS E. EDAÑO
Presiding Officer and Corporate Secretary

Annex "A"

Empire East Land Holdings, Inc.
2025 Annual Stockholders' Meeting
Attendance of Stockholders

Stockholder	Number of Shares
Megaworld Corporation	11,993,426,438
Alliance Global Group, Inc	56,000,000
The Andresons Group, Inc.	149,692,820
Edward Yao (COL Financial)	133,000
HSBC MNL CNC NOM 24/0543	2,841,000
Sub-total	12,202,093,258

Name of Directors and Officers	Number of Shares
Andrew L. Tan	24,277,777
Anthony Charlemagne C. Yu	1
Cresencio P. Aquino	1
Enrique Santos L. Sy	11,892
Sergio R. Ortiz-Luis, Jr.	1
Kevin Andrew L. Tan	1
Lino P. Victorioso, Jr.	1
Sub-total	24,289,674

Total Number of Shares Present and Represented	12,226,382,932
Outstanding Capital Stock with Voting Rights	14,676,199,167
% to Outstanding Capital Stock with Voting Rights	83.31%

ANNEX "E"

Disclosure Requirements Under Section 49 of the Revised Corporation Code

List of Required Information	Reference Material
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 Meeting of the Stockholders held on 10 June 2025 which may be viewed and/or downloaded at the website of the Corporation at https://www.empire-east.com/, and attached to the Information Statement as Annex "D".
(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 Meeting of the Stockholders held on 10 June 2025 which may be viewed and/or downloaded at the website of the Corporation at https://www.empire-east.com/, and attached to the Information Statement as Annex "D".
(3) The matters discussed and resolutions reached;	Please refer to the Minutes of the Annual Meeting of the Stockholders held on 10 June 2025 which may be viewed and/or downloaded at the website of the Corporation at https://www.empire-east.com/, and attached to the Information Statement as Annex "D".
(4) A record of the voting results for each agenda item;	Please refer to the Minutes of the Annual Meeting of the Stockholders held on 10 June 2025 which may be viewed and/or downloaded at the website of the Corporation at https://www.empire-east.com/, and attached to the Information Statement as Annex "D".
(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 Meeting of the Stockholders held on 10 June 2025 which may be viewed and/or downloaded at the website of the Corporation at https://www.empire-east.com/, and attached to the Information Statement as Annex "D".
b) For stock corporations, material information on the current stockholders, and their voting rights;	Please refer to the Part on Holders in the Company's Management Report (page 7-8).
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 Part on Financial Information in the Company's Management Report (pages 32-49).
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 Audited Financial Statements for the fiscal year ended 31 December 2025, which can be accessed at the website of the Corporation at https://www.empire-east.com/, and attached hereto as Annex "F". The Interim Unaudited Financial Statements for the fiscal year ended 31 March 2026 is attached hereto as Annex "G".
e) An explanation of the dividend policy and the fact of payment of dividends or the reasons for nonpayment thereof;	Please refer to page 23 of this Information Statement.
f) Director 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 pages 24-27 of this 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;	Please refer to the Part on Board of Directors and Senior Management in the Company's Management Report (pages 29-30).
h) Appraisals and performance reports for the board and the criteria and procedure for assessment;	Please refer to the Part on Corporate Governance in the Company's Management Report (page 31), as well as the Company's Revised Manual on Corporate Governance available at the website of the Corporation at https://www.empire-east.com/business/corporate-governance.
i) A director or trustee compensation report prepared in accordance with the Revised Corporation Code and the rules the Commission may prescribe;	Please refer to Part B, Item 6 Compensation of Directors and Executive Officers of the Information Statement (pages 12-13).
j) Director disclosures on self-dealings and related party transactions;	Please refer to Part B, Item 5 Board of Directors and Senior Management of the Information Statement (pages 11-12).
k) The profiles of directors nominated or seeking election or reelection.	Please refer to the Part on Board of Directors and Senior Management in the Company's Management Report (pages 24-27).

ANNEX "F"

2025 AUDITED FINANCIAL STATEMENTS

Empire East

STATEMENT OF MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

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

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

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

The Board of Directors reviews and approves the 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

ANTHONY CHARLEMAGNE C. YU
Chief Executive Officer

LINO P. VICTORIOSO JR.
Chief Financial Officer

Signed this 23rd day of February, 2026

Empire East Land Holdings, Inc.
2nd Floor The Paddington Place
632 Shaw Boulevard, Barangay Highway Hills,
1552 Mandaluyong City, Metro Manila

SUBSCRIBED AND SWORN to me before this 23 FEB 2026 of 2026 affiant exhibiting to me their government issued ID as follows:

	Gov't ID	*ID No.*	*Exp. Date*
Andrew L. Tan	Senior Citizen ID	132 000 01580295	08/03/2035
Anthony Charlemagne C. Yu	Unified Multi-Purpose ID	0111-6964168-4	
Lino P. Victorioso Jr.	Passport	P1226841D	01/08/2036

Doc. No. 521
Page No. 106
Book No. III
Series of 2026

MARIA ISABELLA C. ABRILLO
NOTARY PUBLIC
ROLL NO. 78379
MANDALUYONG CITY, PHILIPPINES

MARIA ISABELLA C. ABRILLO
Notary Public for Mandaluyong City
Commission No. 0781-25 until December 31, 2026
IBP No. INV 577925; 12/30/2025; Quezon City Chapter
PTR No. 5925443; 01/05/2026; Mandaluyong City
Roll of Attorney No. 78379
MCLE Compliance No. VIII-0034404;05/16/2025;Pasig City
2/F The Paddington Place, 632 Shaw Boulevard,
Barangay Highway Hills, 1552 Mandaluyong City

FOR SEC FILING

Consolidated Financial Statements and Independent Auditors' Report

Empire East Land Holdings, 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
Empire East Land Holdings, Inc. and Subsidiaries
(A Subsidiary of Megaworld Corporation)
2nd Floor, The Paddington Place
632 Shaw Boulevard, Barangay Highway Hills
Mandaluyong City, Metro Manila

Opinion

We have audited the consolidated financial statements of Empire East Land Holdings, 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 flow 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 our audits of the consolidated financial statements of public interest entities in the Philippines. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters are addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

(a) Revenue Recognition on Real Estate Sales and Determination of Related Costs of Real Estate Sales

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 in applying PFRS 15, and involvement of significant judgment and estimate. Moreover, real estate sales amounting to P3.3 billion and cost of real estate sales amounting to P2.1 billion account for 61.6% of consolidated Revenues and Income and 45.5% of consolidated Costs and Expenses, respectively, for the year ended December 31, 2025. The areas affected by revenue recognition and determination of related costs, which require significant judgments and estimates, 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 policy for revenue recognition on 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 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 20, 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 revenue generation and recognition, as well as tests of information technology (IT) general and application controls. We also performed tests of details to ascertain accuracy and occurrence of revenue recognized on a sampling basis through examination of real estate sales contracts and other relevant supporting documents and performed overall analytical review of actual results.

As part of our test of compliance with revenue recognition criteria, we tested 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 have tested the progress reported for the year in reference to the actual costs incurred relative to the total budgeted project development costs. Our procedures include test of controls over recognition and allocation of costs per project and direct examination of supporting documents. We have also performed physical inspection of selected projects under development to assess if the completion based on costs is not consistent with the physical completion of the project. In testing the reasonableness of budgetary estimates, we have 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 tests of design and operating effectiveness of controls over cost recognition and measurement, including IT general and application controls. On a sampling basis, we traced costs accumulated to supporting documents such as invoices and accomplishment reports from the contractors and official receipts.

(b) Net Realizable Value of Real Estate Inventories

Description of the Matter

Real estate inventories consist of raw land and residential real estate projects under development or construction. As of December 31, 2025, real estate inventories amounted to P21.4 billion, representing 42.9% of total consolidated assets of the Group. Inventory is measured at the lower of cost and net realizable value. The cost of inventory includes, among others, land, engineering and construction fees, professional fees directly attributable to the project, construction overheads and other directly related costs.

The Group assesses internally the net realizable value of the inventory and reduces the carrying amount when the net realizable value is lower than the cost. The net realizable value calculation is highly dependent on significant estimates, including the estimated sales prices per square meter, the estimated remaining construction costs and the expected timing of sale of the units. The Group's management performs the valuation and evaluates possible write-downs on an individual project basis.

The net realizable value of real estate inventories was considered as a key audit matter due to the significance of the balance of inventories over the total consolidated assets of the Group and the involvement of significant estimates and management judgments in determining the net realizable value of inventories.

The Group's policy on accounting for real estate inventories is disclosed in Notes 2 and 3 to the consolidated financial statements and an analysis of the asset's components is presented in Note 7.

How the Matter was Addressed in the Audit

We have obtained an understanding of and evaluated, the Group's processes for assessing the net realizable value of real estate inventories. We also assessed whether real estate inventories are periodically evaluated by the Group's management and whether estimated net realizable values are based on accurate and complete underlying data. Our procedures included performing substantive testing over the net realizable value method applied by the management and evaluating the key assumptions used in the calculations. Moreover, we performed test of reasonableness on the assumption used and obtained supporting documents on the samples selected for the data inputs.

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 audits.

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)

February 23, 2026

EMPIRE EAST LAND HOLDINGS, 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	December 31, 2025	December 31, 2024 (As Restated - see Note 2)	January 1, 2024 (As Restated - see Note 2)
CURRENT ASSETS				
Cash and cash equivalents	5	**P 2,282,600,494**	P 2,863,878,581	P 3,717,469,500
Trade and other receivables - net	6	**9,643,608,050**	9,254,431,239	9,697,626,445
Contract assets	19	**1,936,196,524**	2,498,252,566	2,534,011,730
Advances to related parties	25	**5,856,815,689**	5,965,760,162	5,467,534,052
Real estate inventories	7	**21,397,204,626**	20,922,248,973	20,625,100,501
Prepayments and other current assets	17, 19	**1,343,271,159**	1,059,149,844	1,001,425,543
Total Current Assets		**42,459,696,542**	42,563,721,365	43,043,167,771
NON-CURRENT ASSETS				
Trade and other receivables	6	**4,417,534,675**	3,516,695,723	3,411,569,342
Contract assets	19	**535,063,250**	768,746,952	207,184,338
Financial asset at fair value through other comprehensive income (FVOCI)	8	**922,194,000**	1,013,400,000	1,270,128,000
Advances to landowners and joint ventures	9	**258,051,592**	237,504,599	242,894,346
Investment in an associate	10	**281,162,021**	280,274,248	279,875,774
Property and equipment - net	11	**204,230,382**	146,640,719	160,858,357
Intangible assets - net	12	**21,837,719**	28,050,013	34,262,307
Investment properties - net	13	**552,825,110**	559,063,862	587,082,411
Other non-current assets		**277,066,140**	311,088,436	262,111,649
Total Non-current Assets		**7,469,964,889**	6,861,464,552	6,455,966,524
TOTAL ASSETS		**P 49,929,661,431**	P 49,425,185,917	P 49,499,134,295

	Notes	December 31, 2025	December 31, 2024 (As Restated - see Note 2)	January 1, 2024 (As Restated - see Note 2)
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Interest-bearing loans and borrowings	14, 33	**P 200,000,000**	P 200,000,000	P 200,000,000
Trade and other payables	15	**2,348,398,452**	2,512,630,683	2,558,733,723
Customers' deposits	16	**4,605,930,366**	4,743,665,793	5,140,775,975
Advances from related parties	25	**6,421,831,110**	6,394,850,556	6,061,736,667
Contract liabilities	19	**164,617,092**	170,000,828	96,357,478
Other current liabilities	18	**1,646,637,403**	1,208,620,531	1,042,240,285
Total Current Liabilities		**15,387,414,423**	15,229,768,391	15,099,844,128
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings	14, 33	**250,000,000**	450,000,000	650,000,000
Contract liabilities	19	**35,217,618**	112,633,789	160,409,459
Retirement benefit obligation	23	**233,179,174**	238,098,964	153,998,592
Deferred tax liabilities - net	24	**1,990,399,061**	2,062,813,578	2,071,285,858
Total Non-current Liabilities		**2,508,795,853**	2,863,546,331	3,035,693,909
Total Liabilities		**17,896,210,276**	18,093,314,722	18,135,538,037
EQUITY				
Attributable to the Parent Company's stockholders				
Capital stock	26	**14,803,455,238**	14,803,455,238	14,803,455,238
Additional paid-in capital	26	**4,307,887,996**	4,307,887,996	4,307,887,996
Treasury stock - at cost	26	**(102,106,658)**	(102,106,658)	(102,106,658)
Revaluation reserves	26	**164,529,788**	259,448,994	547,624,726
Other reserves	26	**(292,118,243)**	(292,118,243)	(292,118,243)
Retained earnings	26	**10,381,674,478**	9,577,871,830	9,314,581,026
Total equity attributable to the Parent Company's stockholders		**29,263,322,599**	28,554,439,157	28,579,324,085
Non-controlling interests	10	**2,770,128,556**	2,777,432,038	2,784,272,173
Total Equity		**32,033,451,155**	31,331,871,195	31,363,596,258
TOTAL LIABILITIES AND EQUITY		**P 49,929,661,431**	P 49,425,185,917	P 49,499,134,295

See Notes to Consolidated Financial Statements.

EMPIRE EAST LAND HOLDINGS, 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 3,323,820,889**	P 3,242,642,998	P 3,997,538,269
Finance income	22	**821,760,943**	913,658,775	587,439,873
Rental income	13, 28	**124,307,663**	134,162,268	107,466,532
Commission income	25	**38,771,246**	35,514,891	37,121,681
Equity share in net earnings of an associate	10	**887,773**	398,474	125,202
Other income	21	**1,087,275,065**	624,416,332	473,439,890
		5,396,823,579	4,950,793,738	5,203,131,447
COSTS AND EXPENSES				
Cost of real estate sales	20	**2,092,994,484**	2,053,715,778	2,497,388,384
Salaries and employee benefits	23	**494,378,069**	468,163,427	431,102,206
Finance costs	22	**380,628,493**	491,862,711	391,092,973
Commissions	19	**310,471,546**	240,443,765	224,455,776
Association dues		**307,462,481**	159,961,688	141,761,997
Taxes and licenses	13	**151,556,682**	150,401,638	89,199,114
Advertising and promotion		**109,714,254**	75,205,029	71,299,910
Travel and transportation		**64,381,954**	61,114,262	82,738,992
Depreciation and amortization	11, 12, 13	**37,056,912**	54,216,921	61,679,519
Other expenses	21	**532,046,670**	307,622,515	234,472,848
Tax expense	24	**119,632,868**	207,804,930	219,999,156
		4,600,324,413	4,270,512,664	4,445,190,875
NET PROFIT		**796,499,166**	680,281,074	757,940,572
OTHER COMPREHENSIVE LOSS				
Items that will not be reclassified subsequently through profit or loss:				
Fair value losses on financial assets at FVOCI	8	**(91,206,000)**	(256,728,000)	(69,812,000)
Remeasurements on retirement benefit obligation	23	**(4,950,942)**	(41,930,310)	(112,290,070)
Tax income	24	**1,237,736**	10,482,578	28,072,519
		(94,919,206)	(288,175,732)	(154,029,551)
TOTAL COMPREHENSIVE INCOME		**P 701,579,960**	P 392,105,342	P 603,911,021
Net profit (loss) attributable to:				
Parent Company's shareholders		**P 803,802,648**	P 687,121,209	P 765,784,371
Non-controlling interest	10	**(7,303,482)**	(6,840,135)	(7,843,799)
		P 796,499,166	P 680,281,074	P 757,940,572
Total comprehensive income (loss) attributable to:				
Parent Company's shareholders		**P 708,883,442**	P 398,945,477	P 611,754,820
Non-controlling interest	10	**(7,303,482)**	(6,840,135)	(7,843,799)
		P 701,579,960	P 392,105,342	P 603,911,021
EARNINGS PER SHARE - Basic and Diluted	27	**P 0.055**	P 0.047	P 0.052

See Notes to Consolidated Financial Statements.

EMPIRE EAST LAND HOLDINGS, 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 Parent Company's Shareholders								
	Capital Stock (see Note 26)	**Additional Paid-in Capital** (see Note 26)	**Treasury Stock** (see Note 26)	**Revaluation Reserves** (see Notes 8, 23 and 26)	**Other Reserves** (see Note 26)	**Retained Earnings** (see Note 26)	**Total**	**Non-controlling Interests**	**Total**
Balance at January 1, 2025	P 14,803,455,238	P 4,307,887,996	(P 102,106,658)	P 259,448,994	(P 292,118,243)	P 9,577,871,830	P 28,554,439,157	P 2,777,432,038	P 31,331,871,195
Total comprehensive income (loss) for the year	-	-	-	(94,919,206)	-	803,802,648	708,883,442	(7,303,482)	701,579,960
Balance at December 31, 2025	**P 14,803,455,238**	**P 4,307,887,996**	**(P 102,106,658)**	**P 164,529,788**	**(P 292,118,243)**	**P 10,381,674,478**	**P 29,263,322,599**	**P 2,770,128,556**	**P 32,033,451,155**
Balance at January 1, 2024	P 14,803,455,238	P 4,307,887,996	(P 102,106,658)	P 547,624,726	(P 292,118,243)	P 9,314,581,026	P 28,579,324,085	P 2,784,272,173	P 31,363,596,258
Effect of adoption of PFRS 15 and other related interpretations	-	-	-	-	-	(423,830,405)	(423,830,405)	-	(423,830,405)
Balance at January 1, 2024, as adjusted	14,803,455,238	4,307,887,996	(102,106,658)	547,624,726	(292,118,243)	8,890,750,621	28,155,493,680	2,784,272,173	30,939,765,853
Total comprehensive income (loss) for the year	-	-	-	(288,175,732)	-	687,121,209	398,945,477	(6,840,135)	392,105,342
Balance at December 31, 2024	P 14,803,455,238	P 4,307,887,996	(P 102,106,658)	P 259,448,994	(P 292,118,243)	P 9,577,871,830	P 28,554,439,157	P 2,777,432,038	P 31,331,871,195
Balance at January 1, 2023	P 14,803,455,238	P 4,307,887,996	(P 102,106,658)	P 701,654,277	(P 292,118,243)	P 8,548,796,655	P 27,967,569,265	P 2,792,115,972	P 30,759,685,237
Total comprehensive income (loss) for the year	-	-	-	(154,029,551)	-	765,784,371	611,754,820	(7,843,799)	603,911,021
Balance at December 31, 2023	P 14,803,455,238	P 4,307,887,996	(P 102,106,658)	P 547,624,726	(P 292,118,243)	P 9,314,581,026	P 28,579,324,085	P 2,784,272,173	P 31,363,596,258

See Notes to Consolidated Financial Statements.

EMPIRE EAST LAND HOLDINGS, 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	2023
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit before tax		**P 916,132,034**	P 888,086,004	P 977,939,728
Adjustments for:				
Finance income	22	**(821,760,943)**	(913,658,775)	(587,439,873)
Finance costs	22	**380,628,493**	491,862,711	391,092,973
Gain on sale of investment properties	13	**(67,982,696)**	-	-
Depreciation and amortization	11, 12, 13	**37,056,912**	54,216,921	61,679,519
Impairment loss on related party advances	25	**25,000,000**	-	-
Equity share in net income of an associate	10	**(887,773)**	(398,474)	(125,202)
Gain on sale of property and equipment	11	**(620,394)**	(132,890)	-
Gain on lease credits	17, 25	-	-	(106,091,000)
Impairment loss on goodwill	12	-	-	77,347,634
Operating profit before working capital changes		**467,565,633**	519,975,497	814,403,779
Decrease (increase) in trade and other receivables		**(1,041,570,995)**	527,919,505	(1,572,900,204)
Decrease (increase) in contract assets		**1,082,535,934**	(572,668,404)	(158,082,689)
Decrease (increase) in real estate inventories		**(474,955,653)**	(553,518,846)	543,476,571
Increase in prepayments and other assets		**(232,599,160)**	(92,473,228)	(250,484,915)
Decrease (increase) in advances to landowners and joint ventures		**(20,546,993)**	5,389,747	(1,238,456)
Increase (decrease) in trade and other payables		**(160,677,553)**	(42,779,051)	544,026,857
Increase (decrease) in contract liabilities		**(95,141,991)**	526,987	(52,088,508)
Increase (decrease) in customers' deposits		**(137,735,427)**	(397,110,182)	655,071,477
Increase (decrease) in retirement benefit obligation		**(23,577,604)**	29,589,653	(29,411,976)
Increase in other current liabilities		**438,016,872**	166,380,246	150,516,990
Cash generated from (used in) operations		**(198,686,937)**	(408,768,076)	643,288,926
Interest received from receivables		**39,431,911**	30,387,934	22,589,169
Cash paid for income taxes		**(190,809,648)**	(153,191,036)	(108,892,140)
Net Cash From (Used in) Operating Activities		**(350,064,674)**	(531,571,178)	556,985,955
CASH FLOWS FROM INVESTING ACTIVITIES				
Collections of advances to related parties	25	**166,470,658**	3,480,018	-
Acquisitions of property and equipment	11	**(89,079,868)**	(6,065,687)	(13,732,576)
Interest received from cash and cash equivalents	22	**67,065,723**	91,440,493	80,949,550
Cash advances granted to related parties	25	**(42,760,352)**	(69,804,896)	(41,858,557)
Acquisitions of investment properties	13	**(15,140,394)**	-	-
Proceeds from the sale of property and equipment	11	**890,592**	430,137	-
Net Cash From Investing Activities		**87,446,359**	19,480,065	25,358,417
CASH FLOWS FROM FINANCING ACTIVITIES				
Payments of interest-bearing loans and borrowings	14, 33	**(200,000,000)**	(200,000,000)	(150,000,000)
Repayments of advances from related parties	25, 33	**(74,457,713)**	(72,427,181)	(73,278,886)
Interest paid	14, 33	**(46,016,125)**	(69,072,625)	(79,388,749)
Proceeds from additional advances from related parties	25, 33	**1,814,066**	-	5,759
Net Cash Used in Financing Activities		**(318,659,772)**	(341,499,806)	(302,661,876)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		**(581,278,087)**	(853,590,919)	279,682,496
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		**2,863,878,581**	3,717,469,500	3,437,787,004
CASH AND CASH EQUIVALENTS AT END OF YEAR		**P 2,282,600,494**	P 2,863,878,581	P 3,717,469,500

**See Note 34 for the Supplementary Information on Non-cash Investing Activities.*

See Notes to Consolidated Financial Statements.

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2025 AND 2024
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

Empire East Land Holdings, Inc. (the Company) was incorporated in the Philippines and registered with the Philippine Securities and Exchange Commission (SEC) on July 15, 1994, primarily to engage in the business of real estate development, mass community housing, townhouses, and row houses development. The Company is presently engaged in the development and marketing of mid-cost housing projects in the form of condominium communities, subdivision lots and house and lot packages, and commercial units to a limited extent. The Company also leases out commercial and industrial properties.

The shares of common stock of the Company are listed at the Philippine Stock Exchange (PSE).

1.1 Composition of the Group

As of December 31, 2025 and 2024, the Company holds ownership interests in the following entities:

Subsidiaries/ Associates	Explanatory Notes	Percentage of Ownership
Subsidiaries:		
Eastwood Property Holdings, Inc. (EPHI)	(a)	100.00%
Valle Verde Properties, Inc. (VVPI)	(b)	100.00%
Sherman Oak Holdings, Inc. (SOHI)	(b)	100.00%
Empire East Communities, Inc. (EECI)	(c)	100.00%
20th Century Nylon Shirt Co., Inc. (20th Century)	(d)	100.00%
Laguna BelAir Science School, Inc. (LBASSI)	(e)	72.50%
Sonoma Premier Land, Inc. (SPLI)	(b)	60.00%
Pacific Coast Megacity, Inc. (PCMI)	(f)	40.00%
Associate –		
Gilmore Property Marketing Associate, Inc. (GPMAI)	(b)	47.37%

Explanatory Notes:

(a) Subsidiary incorporated to market real estate properties of the Group and other related parties.
(b) Subsidiaries/associate incorporated in prior years but have not yet started commercial operations as of December 31, 2025.
(c) Subsidiary incorporated in 2008 but ceased its operations as a marketing arm of real estate properties in 2014.
(d) Subsidiary acquired in 2015 which is yet to resume its operations, which is primarily to manufacture, distribute, and buy and sell wearing apparel and its accessories such as zipper, buttons, etc.
(e) Subsidiary primarily engaged in operating a school for primary and secondary education. In 2022, the subsidiary ceased its operations.
(f) Subsidiary of the Company starting 2018 when the Company obtained de facto control over the entity and was accounted for under the pooling-of-interest method [see Note 3.1(j)].

On April 28, 2025, the Board of Directors (BOD) approved the change of the Company's registered office address and principal place of business from 2nd Floor, Kasara Urban Resort Residences Tower 2, P. Antonio St., Brgy. Ugong, Pasig City to 2nd Floor, The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City. The amendment was approved by the SEC and Bureau of Internal Revenue (BIR) on July 28, 2025, and September 11, 2025, respectively. The registered office address, which is also the principal place of the Company and its subsidiaries and associates, except for EPHI, LBASSI, and PCMI, is the Company's current registered office address.

Below is the summary of the registered office address of the other subsidiaries, which is also the principal place of business.

(a) EPHI – #188 EC Information Center, E. Rodriguez Jr. Ave., Eastwood CyberPark City, Bagumbayan, Quezon City
(b) LBASSI – Laguna Bel-Air Subdivision, Brgy. Don Jose, Sta. Rosa, Laguna
(c) PCMI – 7th Floor, 1880 Building Eastwood City Cyberpark, 188 E. Rodriguez Jr. Ave. Bagumbayan, Quezon City

In prior years, the Company increased its ownership interest in VVPI and LBASSI, resulting in 100.00% and 72.50% ownership interest, respectively, over the respective subsidiaries. This resulted in the recognition of goodwill which amounted to P78.3 million. In 2023, the Group has recognized an impairment loss on goodwill related to LBASSI amounting to P77.3 million [see Note 3.2(h)]. The remaining goodwill which arose from the acquisition of VVPI amounted to P1.0 million as of both December 31, 2025 and 2024, is shown as part of Intangible Assets – net account in the consolidated statements of financial position (see Note 12).

Megaworld Corporation (Megaworld or Parent Company) is the parent company of Empire East Land Holdings, Inc. and subsidiaries (the Group). Megaworld is presently engaged in property-related activities, such as, project design, construction and property management. Megaworld is 54.02% owned by Alliance Global Group, Inc. (AGI), the Company's Ultimate Parent Company. AGI is a holding company with diversified investments in food and beverage, real estate, tourism-entertainment and gaming and quick service restaurant businesses. The shares of common stock of both Megaworld and AGI are also listed at the PSE.

Megaworld's registered office address is located on 30th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City. AGI's registered office is located at 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriquez Jr. Avenue, Bagumbayan, Quezon City. These entities' registered office addresses are also their respective principal places of business.

1.2 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 consolidated financial statements as of December 31, 2024 and for the years ended December 31, 2024 and 2023) were authorized for issue by the Group's BOD on February 23, 2026.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information that have 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 of and for the years ended December 31, 2025 and 2024 were prepared in accordance with Philippine Financial Reporting Standards (PFRS Accounting Standards). In 2023, 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 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

In 2023 and prior years, 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 approach as 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 in 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 in the succeeding page is 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, Real estate inventories decreased by P256.4 million and Deferred tax liabilities – net decreased by P52.6 million as of 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 as of January 1, 2024 decreased by P202.7 million, while Contract liabilities as at the said date increased by P17.3 million.

(c) *Presentation of Consolidated Financial Statements*

The consolidated financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, *Presentation of Financial Statements.* The Group presents all items of income, expenses, and other comprehensive income or loss in a single consolidated statement of comprehensive 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 a retrospective restatement or reclassification of items that have 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.

In 2025, the Group reclassified deferred commission amounting to P305.9 million and P256.9 million, previously presented under 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 (see Note 19.3). 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 reclassification did not result in any adjustments to the Group's consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years ended December 31, 2024 and 2023.

(d) Functional and Presentation Currency

These consolidated financial statements are presented in Philippine pesos, the functional and presentation currency of the Group, 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 New and 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 none of these are expected to have significant impact on the Group's consolidated financial statements:

(i) PFRS 9 and PFRS 7 (Amendments), *Financial Instruments, and Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments* (effective from January 1, 2026)

(ii) PFRS 18, *Presentation and Disclosure in Financial Statements* (effective from January 1, 2027). The new standard impacts the classification of profit or loss items (i.e., into operating, investing and financing categories) and the presentation of subtotals in the statement of profit or loss (i.e., operating profit and profit before financing and income taxes). The new standard also changes the aggregation and disaggregation of information presented in the primary financial statements and in the notes. It also introduces required disclosures about management-defined performance measures. The new standard, however, does not affect how an entity recognizes and measures its financial condition, financial performance and cash flows.

(iii) PFRS 19, *Subsidiaries without Public Accountability: Disclosures* (effective from January 1, 2027). The new standard reduces the disclosure requirements prescribed by other standards for subsidiaries without public accountability. It changes disclosure requirements prescribed by other standards as the reporting entity will instead refer to PFRS 19 for required disclosures.

(iv) PFRS 10 and PAS 28 (Amendments), *Consolidated Financial Statements and Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture* (effective date deferred indefinitely)

2.3 Basis of Consolidation

The Group's consolidated financial statements comprise the accounts of the Parent Company, and its subsidiaries as enumerated in Note 1, after the elimination of material intercompany transactions.

The financial statements of subsidiaries are prepared for the same reporting period as the Parent Company, using consistent accounting principles. Adjustments are 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).

(i) Classification, Measurement and Reclassification of Financial Assets

The Group's financial assets include financial assets at amortized cost and financial assets at fair value through other comprehensive income (FVOCI).

Financial Assets at Amortized Cost

Where the business model is to hold assets to collect contractual cash flows, the Group assesses whether the financial instruments' cash flows represent solely payments of principal and interest. In making this assessment, the Group considers whether the contractual cash flows are consistent with basic lending arrangements, i.e., interest includes only consideration for the time value of money, credit risk, or other basic lending risks and a profit margin. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with basic lending arrangements, the related financial asset is classified and measured at fair value through profit or loss (FVTPL).

The Group may irrevocably elect at initial recognition to classify a financial asset that meets the amortized cost criteria as at FVTPL if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortized cost.

Financial Assets at FVOCI

At initial recognition, the Group can make an irrevocable election (on an instrument-by-instrument basis) to designate equity investments as at FVOCI; however, such designation is not permitted if the equity investment is held by the Group for trading or as mandatorily required to be classified as FVTPL. The Group has designated certain equity instrument at FVOCI on initial recognition.

(ii) Impairment of Financial Assets

The expected credit losses (ECL) on trade and other receivables and contract assets are estimated by applying the simplified approach using a provision matrix developed based on the Group's historical credit loss experience and credit information that are specific to the debtors, adjusted for general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate. These assets are assessed for impairment on a collective basis based on shared credit risk characteristics.

The Group applies a general approach specifically in relation to receivables from related parties. The maximum period over which ECL should be measured is the longest contractual period where an entity is exposed to credit risk. In the case of these receivables from 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.

However, if the credit risk on a financial asset has not increased significantly since initial recognition, for debt instruments measured at amortized cost (except trade and other receivables where simplified approach is used) and at FVOCI, the Group measures and provides for credit losses that are expected to result from default events that are possible within 12 months after the end of the reporting period, except when there has been a significant increase in credit risk on the financial asset since initial recognition.

(b) Financial Liabilities

Financial liabilities include Interest-bearing Loans and Borrowings, Trade and Other Payables (except tax-related liabilities), Advances from Related Parties and Other Current Liabilities (excluding Miscellaneous). Refund liability is measured using the probability-weighted average amount approach similar to the expected value method under PFRS 15.

2.5 Prepayments and Other Assets

Prepayments and other current assets pertain to other resources controlled by the Company as a result of past events. They are recognized in the financial statements when it is probable that the future economic benefits will flow to the Company and the asset has a cost or value that can be measured reliably.

Advances to suppliers and contractors represents advance payments made by the Group for construction services and materials. The classification is based on the nature and intended use of the underlying project to which the advances relate, consistent with the requirements of PFRS Accounting Standards. Advances related to the development of real estate inventories are presented as current assets, as they are expected to be utilized within the Group's normal operating cycle. Advances associated with the construction or improvement of investment properties and other long-term assets are presented as non-current assets (see Note 6).

Other recognized assets of similar nature, where future economic benefits are expected to flow to the Company beyond one year after the end of the reporting period or in the normal operating cycle of the business, if longer, are classified as non-current assets.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (see Note 2.13).

2.6 Real Estate Inventories

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

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

Repossessed property arising from sales cancellation is recognized at cost. The difference between the carrying amount of the receivable or contract asset to be derecognized and the cost of the repossessed property is recognized in the consolidated statement of comprehensive income.

2.7 Property and Equipment

Property and equipment, except for land, are stated at cost less accumulated depreciation, amortization and any impairment losses. As the land has no finite useful life, it's related carrying amount is not depreciated.

Depreciation and amortization are computed on a straight-line basis over the estimated useful lives of the assets as presented below.

Building and other improvements	5 to 50 years
Office furniture and equipment	3 to 5 years
Transportation equipment	5 years

Leasehold improvements are amortized over the lease term or the estimated useful lives of the improvements, whichever is shorter.

2.8 Intangible Assets

Intangible assets include goodwill and acquired computer software license, which is capitalized on the basis of the costs incurred to acquire, install and service the specific software. Costs associated with maintaining computer software are expensed as incurred.

Capitalized costs of intangible assets are amortized on a straight-line basis over the estimated useful life (10 years) as the lives of these intangible assets are considered finite.

Goodwill is classified as intangible asset with infinite life; thus, not subject to amortization but requires an annual test for impairment. Goodwill is subsequently carried at cost less accumulated impairment losses.

2.9 Investment Properties

Properties held for lease under operating lease agreements, which comprise mainly of building, office and commercial units held for lease and a parcel of land held for capital appreciation, are classified as Investment Properties and carried at cost, net of accumulated depreciation and any impairment in value, except land for which is not subject to depreciation. Depreciation for building, office and commercial units classified as investment property is computed on a straight-line basis over the estimated useful life of 20 to 50 years.

2.10 Revenue and Expense Recognition

Revenue comprises revenue from sale of real properties, leasing activities and rendering of services.

The Group develops real properties such as 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 pre-completed real properties is disclosed in Note 3.1(c). Sales cancellations, which are accounted for as modification of contracts, are charged to profit or loss on the year of forfeiture.

The specific recognition criteria of various revenue streams of the Group are as follows:

(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 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 in the consolidated statement of comprehensive income.

(c) *Marketing and management 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.

(d) *Commission* – Revenue is recognized by the amount in which the Group has a right to invoice that corresponds directly with the value of services rendered to customers that are completed over time (i.e., end of each month).

For tax reporting purposes, a modified basis of computing the taxable income for the year based on collections from real estate sales is used by the Group.

Incremental costs of obtaining a contract to sell real property to customers are recognized as part of 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.

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 Costs 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 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)(ii)].

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.

2.11 Direct Contract Cost

Commissions represent a certain percentage of contract price given to the real estate brokers and/or agents who handle the sales and marketing of the Group's residential and high-rise projects. Incremental costs of commission incurred to obtain contracts are capitalized and presented as Deferred commission presented under Prepayments and Other Current Assets, and Other Non-current Assets in the consolidated statement of financial position (see Note 19.3).

Commissions are charged to profit or loss proportionate to the progress of the project development and are presented as Commissions under Costs and Expenses section in the consolidated statement of comprehensive income.

2.12 Leases

The Group accounts for its leases as follows:

(a) Group as Lessee

Subsequent to initial recognition, 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 which is 3 to 5 years.

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

(b) Group as Lessor

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

2.13 Impairment of Non-financial Assets

The Group's Advances to Landowners and Joint Ventures, Investment in an Associate, Property and Equipment, Intangible Assets, Investment Properties, goodwill and other non-financial assets are tested for impairment. Goodwill is tested for impairment at least annually. All other individual assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

2.14 Employee Benefits

The Group provides post-employment benefits to employees through a defined benefit plan and defined contribution plans, and other employee benefits.

The Group's defined benefit post-employment plan covers all regular full-time employees. The pension plan is tax-qualified, noncontributory and administered by trustees.

The defined benefit obligation (DBO) is calculated annually by an independent actuary using the projected unit credit method.

2.15 Earnings Per Share

The Group does not have potentially dilutive shares outstanding; hence, the diluted earnings per share is equal to the basic earnings per share.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's consolidated financial statements in accordance with PFRS Accounting Standards requires management to make judgments and estimates that affect 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 Judgments in Applying Accounting Policies

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

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

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 and the renewal of the contract is not subject to mutual agreement of both parties.
The renewal and termination option for the lease of office space was not included as part of the lease term due to the provisions in its contract that require mutual agreement of both parties on the terms and agreements of the renewal and termination of the lease contract.

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.

(b) Determining Existence of a Contract with Customer

In a sale of real estate properties, the Group's primary document for a contract with a customer is a signed contract to sell which is executed when the real estate property sold is completed and ready for use by customer. In 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.

(c) *Evaluation of 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 factors enumerated below.

- 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 determined that its performance obligation for pre-completed real estate inventories 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) *Marketing, Management Fees and Commission*

The Group determines that its revenue from marketing, management fees and commission 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.

(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) *Estimation of Collection Threshold for Revenue Recognition*

The Group uses judgment in evaluating the probability of collection of contract price on real estate sales as a criterion for revenue recognition. The Group uses historical payment pattern of customers in establishing a percentage of collection threshold over which the Group determines that collection of total contract 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 Receivables, Contract Assets and other receivables. The provision rates are based on days past due for groups of various customer segments that have similar loss patterns (i.e., projects and customer type).

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.

(g) *Distinction Among Investment Property and Owner-managed Properties*

The Group determines whether a property qualifies as investment property or property and equipment. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to other assets used in the production or supply process while land held for future development are properties intended solely for future development and sale.

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 property only if an insignificant portion is held for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as investment property. The Group considers each property separately in making its judgment.

Based on management's assessment, properties held for lease and for capital appreciation qualifies as investment property.

(h) Distinction Between Real Estate Inventories and Investment Property

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

(i) Distinction Between Operating and Finance Leases

The Group has entered into various lease agreements as either a lessor or lessee. 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's assessment, all of the Group's lease agreements are classified as operating leases.

Distinction between operating and finance leases is applicable only to lease agreements as a lessor. All leases entered into as a lessee, except for those qualified under the optional exemptions as provided by the standard, are required to be recognized on-balance sheet.

(j) Consolidation of Entities in which the Group Holds 50% or Less

Management considers that the Group has de facto control over PCMI even though it holds less than 50% of the ordinary shares and voting rights in that subsidiary. The Group considers its ability to exercise control over these entities through voting rights held by its subsidiaries or through interlocking directors.

(k) 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 following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next reporting period:

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

The Group measures its lease liabilities at present value of the lease payments that are not paid at the commencement date of the lease contract. The lease payments were discounted using a reasonable rate deemed by management equal to the Group's incremental borrowing rate. In determining a reasonable discount rate, management considers the term of the leases, the underlying asset and the economic environment. Actual results, however, may vary due to changes in estimates brought about by changes in such factors.

(b) Revenue Recognition for Performance Obligation 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 obligations. 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 applies 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.

(c) 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.

(d) Estimation of Allowance for ECL

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

(e) *Determination of Net Realizable Value of Real Estate Inventories*

In determining the net realizable value of real estate inventories, management takes into account the most reliable evidence available at the 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 uncertainty and may cause significant adjustments to the Group's inventories within the next reporting period.

Considering the Group's pricing policy, the net realizable value of the Real Estate Inventories is higher than their related carrying values as of the end of the reporting periods.

(f) *Estimation of Useful Lives of Property and Equipment, Intangible Assets, and Investment Properties*

The Group estimates the useful lives of Property and Equipment, Intangible Assets, and Investment Properties based on the period over which the assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

The carrying amounts of Property and Equipment, Intangible Assets, and Investment Properties are analysed in Notes 11, 12 and 13, respectively. Based on management's assessment as at December 31, 2025 and 2024, there is no change in estimated useful lives of Property and Equipment, Intangible Assets and Investment Properties during those years. Actual results, however, may vary due to changes in estimates brought about by changes in factors mentioned above.

(g) *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 balance of deferred tax assets recognized as at December 31, 2025 and 2024 will be utilized in the succeeding years.

The carrying values of the Group's deferred tax assets as of December 31, 2025 and 2024 are disclosed in Note 24.

(h) *Impairment of Goodwill and Other Non-financial Assets*

Goodwill is reviewed annually for impairment while other non-financial assets are tested whenever certain impairment indicators become present. In assessing impairment, the management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

On March 17, 2021, the Group submitted a letter to the Department of Education Sta. Rosa City Division Office regarding the cessation of the operations of LBASSI taking effect after school year 2021-2022. On October 20, 2022, LBASSI filed for the certificate of clearance with the BIR Revenue District Office No. 057, Biñan, West Laguna.

In 2023, LBASSI retracted its filed application for the certificate of clearance with BIR. LBASSI will remain as a non-operating entity until such time that it ventures again into business.

Based on management's assessment, impairment loss amounting to P77.3 million on goodwill has been recognized since the recoverable amount of the cash generating units is less than their carrying amount in 2023 (see Note 12). There was no similar impairment in 2025 and 2024.

No impairment losses were recognized on Advances to Landowners and Joint Ventures, Investment in an Associate, Property and Equipment, Investment Properties, and other non-financial assets in 2025, 2024 and 2023 (see Notes 9, 10, 11 and 13).

(i) Valuation of Post-employment Defined Benefit

The determination of the Group's obligation and cost of post-employment benefit is dependent on the selection of certain assumptions used by an actuary in calculating such amounts. Those assumptions include, among others, discount rates and salary increase rate. 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 benefits, as well as the significant assumptions used in estimating such obligation are presented in Note 23.2.

(j) Determination of Fair Value of Investment Properties

Investment properties are measured using the cost model. The Group determines the fair values of building and building improvements using either thru the discounted cash flows valuation technique (income approach) or market-based valuation technique (market approach). 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, the Group determines the fair value 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 Note 31.4.

4. SEGMENT INFORMATION

4.1 Business Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating 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 and marketing of mid-cost housing projects in the form of condominium communities, subdivision lots and house and lot packages, and commercial units to a limited extent. It classifies and monitors its projects into high-rise and horizontal. High-rise projects refer to condominiums and other medium scale properties while the horizontal projects refer to house and lot packages, and subdivision lots. Both are intended for middle income market.

The measurement policies the Group uses for segment reporting under PFRS 8, *Operating Segments,* are the same as those used in its consolidated financial statements, except that post-employment benefit expense is not included in arriving at the operating profit of the operating segments.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

4.2 Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist principally of operating receivables, Contract Assets and Real Estate Inventories. Excluded from segment assets are Cash and Cash Equivalents, Advances to Related Parties, Prepayments, Advances to Landowners and Joint Ventures, Investments in an Associate, Property and Equipment, Intangible Assets, Investment Properties and other assets which are considered corporate assets and are not allocated to any segment's assets.

Segment liabilities include all operating liabilities incurred by management in each particular segment and consist principally of Contract Liabilities and Customers' Deposits. Excluded from segment liabilities are Interest-bearing Loans and Borrowings, Trade and Other Payables, Advances from Related Parties, Deferred Tax Liabilities and Retirement Benefit Obligation as the Group's management determined that these accounts are not directly related to the Group's segment.

4.3 Intersegment Transactions

There are no intersegment transactions. In case of inter-segment sales and transfers, the Group generally accounts for them as if the sales or transfers were made to third parties at current market prices. Intersegment sales and transfers, if any, are eliminated in the preparation of the consolidated financial statements.

4.4 Analysis of Segment Information

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

(Amounts in PHP)	High Rise Projects			Horizontal Projects			Total		
	2025	2024	2023	**2025**	2024	2023	**2025**	2024	2023
REVENUES									
Real estate sales	**3,280,794,104**	3,136,454,171	3,651,882,437	**43,026,785**	106,188,827	345,655,832	**3,323,820,889**	3,242,642,998	3,997,538,269
Finance income	**471,719,480**	353,968,172	136,631,933	**18,740,958**	3,587,572	11,635,045	**490,460,438**	357,555,744	148,266,978
Rental income	**13,921,350**	12,495,355	14,677,006	**-**	-	-	**13,921,350**	12,495,355	14,677,006
Other income	**955,264,048**	541,813,821	277,426,111	**20,506,259**	27,673,152	9,399,769	**975,770,307**	569,486,973	286,825,880
	4,721,698,982	4,044,731,519	4,080,617,487	**82,274,002**	137,449,551	366,690,646	**4,803,972,984**	4,182,181,070	4,447,308,133
COSTS AND OTHER OPERATING EXPENSES									
Cost of real estate sales	**2,078,294,859**	1,991,192,143	2,310,566,542	**14,699,625**	62,523,635	186,821,842	**2,092,994,484**	2,053,715,778	2,497,388,384
Commissions	**289,347,792**	207,456,664	199,293,899	**7,050,590**	8,585,499	11,848,142	**296,398,382**	216,042,163	211,142,041
Association dues	**271,705,362**	146,717,756	131,765,698	**30,903,561**	8,622,422	6,237,793	**302,608,923**	155,340,178	138,003,491
Advertising and promotion	**98,912,968**	57,073,323	49,276,760	**169,696**	9,901,501	14,325,457	**99,082,664**	66,974,824	63,602,217
Taxes and licenses	**98,403,436**	89,206,859	49,575,127	**8,800,489**	9,890,989	8,940,581	**107,203,925**	99,097,848	58,515,708
Finance costs	**12,342,084**	7,992,596	-	**-**	-	-	**12,342,084**	7,992,596	-
Rentals	**7,631,785**	9,424,912	3,814,336	**-**	-	-	**7,631,785**	9,424,912	3,814,336
Salaries and employee benefits	**440,614**	607,416	799,383	**-**	37,347	113,256	**440,614**	644,763	912,639
Travel and transportation	**33,959**	134,509	105,978	**10,471**	14,116	28,118	**44,430**	148,625	134,096
Other expenses	**137,676,150**	149,803,793	63,000,076	**13,063,283**	10,004,394	5,163,020	**150,739,433**	159,808,187	68,163,096
	2,994,789,009	2,659,609,971	2,808,197,799	**74,697,715**	109,579,903	233,478,209	**3,069,486,724**	2,769,189,874	3,041,676,008
SEGMENT OPERATING PROFIT	**1,726,909,973**	1,385,121,548	1,272,419,688	**7,576,287**	27,869,648	133,212,437	**1,734,486,260**	1,412,991,196	1,405,632,125
SEGMENT ASSETS AND LIABILITIES									
Segment assets	**26,503,316,795**	25,439,444,587		**6,594,977,070**	6,807,674,065		**33,098,293,865**	32,247,118,652	
Segment liabilities	**4,675,451,346**	4,688,829,079		**365,201,361**	317,272,561		**5,040,652,707**	5,006,101,640	

There was no segment interest expense allocated in 2023.

4.5 Reconciliations

Presented below and in the succeeding page is a reconciliation of the Group's segment information to the key financial information presented in its consolidated financial statements.

(Amounts in PHP)	**2025**	2024	2023
Revenues			
Total segment revenues	**4,803,972,984**	4,182,181,070	4,447,308,133
Unallocated revenues:			
Finance income	**331,300,505**	556,103,031	439,172,895
Rental income from investment property	**110,386,313**	121,666,913	92,789,526
Commission income	**38,771,246**	35,514,891	37,121,681
Other income	**112,392,531**	55,327,833	186,739,212
	592,850,595	768,612,668	755,823,314
Revenues as reported in the consolidated statements of comprehensive income	**5,396,823,579**	4,950,793,738	5,203,131,447
Profit or loss			
Segment operating profit	**1,734,486,260**	1,412,991,196	1,405,632,125
Other unallocated income	**592,850,595**	768,612,668	755,823,314
Other unallocated expenses	**(1,530,837,689)**	(1,501,322,790)	(1,403,514,867)
Net profit as reported in the consolidated statements of comprehensive income	**796,499,166**	680,281,074	757,940,572

	2025	2024
Assets		
Segment assets	**33,098,293,865**	32,247,118,652
Unallocated assets:		
Cash and cash equivalents	**2,282,600,494**	2,863,878,581
Trade and other receivables - net	**4,831,313,260**	4,713,256,801
Advances to related parties	**5,856,815,689**	5,965,760,162
Prepayments and other current assets	**1,343,271,159**	1,059,149,844
Financial asset at FVOCI	**922,194,000**	1,013,400,000
Advances to landowners and joint ventures	**258,051,592**	237,504,599
Investment in an associate	**281,162,021**	280,274,248
Property and equipment - net	**204,230,382**	146,640,719
Investment properties - net	**552,825,110**	559,063,862
Intangible assets - net	**21,837,719**	28,050,013
Other non-current assets	**277,066,140**	311,088,436
	16,831,367,566	17,178,067,265
Total assets as reported in the consolidated statements of financial position	**49,929,661,431**	49,425,185,917

	2025	2024
Liabilities		
Segment liabilities	**5,040,652,707**	5,006,101,640
Unallocated liabilities:		
Interest-bearing loans and borrowings	**450,000,000**	650,000,000
Trade and other payables	**2,348,398,452**	2,512,630,683
Customers' deposits	**400,502,845**	416,417,484
Advances from related parties	**6,421,831,110**	6,394,850,556
Other current liabilities	**1,011,246,927**	812,401,817
Retirement benefit obligation	**233,179,174**	238,098,964
Deferred tax liabilities - net	**1,990,399,061**	2,062,813,578
	12,855,557,569	13,087,213,082
Total liabilities as reported in the consolidated statements of financial position	**17,896,210,276**	18,093,314,722

5. CASH AND CASH EQUIVALENTS

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

(Amounts in PHP)	**2025**	2024
Cash on hand and in banks	**1,056,711,428**	1,510,537,269
Short-term placements	**1,225,889,066**	1,353,341,312
	2,282,600,494	2,863,878,581

Cash in banks generally earns interest based on the daily bank deposit rates.

Peso-denominated short-term placements are made for varying periods of up to 90 days in 2025, 72 days in 2024 and 76 days in 2023 and earn annual effective interest ranging from 3.60% to 5.95% in 2025, 4.50% to 6.25% in 2024, and 3.13% to 6.25% in 2023. Dollar-denominated short-term placements are made for varying periods of up to 90 days in 2025, 2024 and 2023 and earn annual effective interest ranging from 3.13% to 4.88% in 2025, 1.50% to 5.25% in 2024, and 1.50% to 5.00% in 2023 (see Note 22.1).

6. TRADE AND OTHER RECEIVABLES

This account is composed of the following:

(Amounts in PHP)	Notes	**2025**	2024
Current:			
Trade receivables	25.2	**5,589,088,979**	5,305,013,429
Advances to suppliers and contractors		**2,630,732,726**	2,591,659,737
Rent receivable	25.2	**400,503,041**	395,271,465
Advances to condominium associations		**303,001,734**	403,803,520
Interest receivable		**65,471,967**	94,773,830
Management fee receivable	25.2	**44,119**	44,119
Others	13	**654,899,190**	463,998,845
		9,643,741,756	9,254,564,945
Allowance for impairment		**(133,706)**	(133,706)
		9,643,608,050	9,254,431,239
Non-current:			
Trade receivables		**4,269,311,056**	3,377,226,648
Refundable security deposits		**148,223,619**	139,469,075
		4,417,534,675	3,516,695,723
		14,061,142,725	12,771,126,962

The Group's trade and other receivables (excluding advances to suppliers and contractors and advances to condominium associations) are subjected to credit risk. These receivables are evaluated by the Group for impairment and assessed that no ECL should be provided for the periods presented.

Trade receivables of the Group are either interest-bearing or noninterest-bearing. The installment period of interest-bearing sales contracts ranges from 2 to 10 years while interest ranges from 10% to 22%. The related interest earned on these sales contracts amounting to P10.1 million, P28.8 million, and P27.0 million in 2025, 2024 and 2023, respectively, are reported as part of Finance Income account in the consolidated statements of comprehensive income (see Note 22.1).

The installment period of noninterest-bearing sales contracts ranges from one to five years with imputed interest of 7.66% in 2025, 9.01% in 2024 and 7.33% in 2023. Noninterest-bearing trade receivables are measured at amortized cost using the effective interest method based on the interest rate of similar financial instruments in the market. Day-one loss amounting to P151.4 million, P193.5 million and P172.9 million in 2025, 2024 and 2023, respectively, are presented as a deduction against the Real Estate Sales account in the consolidated statements of comprehensive income. Amortization of day one loss amounting to P193.5 million, P172.9 million and P121.3 million in 2025, 2024 and 2023, respectively, are presented as Amortization of day-one loss on noninterest-bearing financial instruments under Finance Income account in the consolidated statements of comprehensive income (see Note 22.1).

Advances to suppliers and contractors represent down payments made by the Group to suppliers and contractors based on a certain percentage of the contract price, including construction materials purchased by the Group that are used by contractors, and utility charges that are attributable to contractors. These advances are primarily related to the Group's property development costs, which form part of its real estate inventories under development. A minimal portion pertains to operating expenses, which are recognized as expense when the related services are performed.

The initial advances are subsequently recouped or deducted from amounts payable to the suppliers and contractors, either on a pro-rated basis or in full, once progress billings or supplier invoices are received. Any unutilized advances are either refunded to the Group or offset against future billings.

Advances to condominium associations represent the Group's payment for the initial operations of the start-up association of a completed project. The purpose of these advances is mainly for the charges of utilities, real property taxes, licenses, and management fee.

Refundable security deposits include various deposits to third parties for electrical, internet subscription, exhibits and other utilities, and equipment needed in the development of the projects. All deposits, except for deposits to an electric Group, do not earn interest. Such deposits are only refundable upon completion of the projects or upon return of the equipment used. However, the exact date or period of completion of projects or return of equipment is indeterminable. Accordingly, refundable deposits are accounted for at cost.

Other receivables include advances to joint ventures for processing of business permits and licenses, and unliquidated advances to employees and real estate consultants.

All trade receivables are subject to credit risk exposure. However, the Group does not identify specific concentrations of credit risk with regard to trade receivables from real estate sales as the amounts recognized consist of a large number of receivables from various customers. The Group considers the market value of properties sold held as collateral in assessing the expected credit loss on trade receivables and contract assets from real estate sales [see Note 29.2(b)].

In 2024, the Group wrote off certain receivables that are fully provided with allowance amounting to P52,496 as the management assessed that those receivables are no longer collectible. There was no similar transaction in 2025.

A reconciliation of the allowance for impairment at the beginning and end of the year is shown below.

(Amounts in PHP)	**2025**	2024
Balance at beginning of year	**133,706**	186,202
Write off	**-**	(52,496)
Balance at end of year	**133,706**	133,706

7. REAL ESTATE INVENTORIES

The Group's real estate inventories at the end of 2025 and 2024 were stated at cost. The composition of this account as at December 31 is shown below (see Note 20).

(Amounts in PHP)	**2025**	2024
Residential and condominium units for sale	**15,079,686,411**	14,605,650,957
Raw land inventory	**4,424,215,132**	4,424,215,132
Property development costs	**1,893,303,083**	1,892,382,884
	21,397,204,626	20,922,248,973

The summary of the movements in real estate inventories is presented below:

(Amounts in PHP)	Notes	**2025**	2024
Balance at beginning of year		**20,922,248,973**	20,625,100,501
Effect of adoption of PFRS 15	2.1(b)(i)	**-**	(256,370,374)
		20,922,248,973	20,368,730,127
Development costs incurred		**2,567,950,137**	2,607,234,624
Amount charged to cost of sales	20	**(2,092,994,484)**	(2,053,715,778)
		21,397,204,626	20,922,248,973

7.1 Residential and Condominium Units for Sale

This account represents the accumulated costs incurred, net of recognized Cost of Real Estate Sales in the consolidated statements of comprehensive income (see Note 20), on house and lots and condominium units available for sale. The subdivision houses include houses that are ready for occupancy, house models and units under construction.

No property is used as a security for the Group's interest-bearing loans and borrowings for the years ended December 31, 2025 and 2024.

7.2 Property Development Costs

This account pertains to accumulated costs incurred on projects which are not yet offered for sale as of the end of the reporting periods.

7.3 Net Realizable Value

Based on management assessment the net carrying amounts of these assets are lower than their net realizable values considering the present market rates; hence, no provisions for write-down of Real Estate Inventories have been recognized in the consolidated financial statements.

8. FINANCIAL ASSETS AT FVOCI

The movements in the carrying amounts of financial assets at FVOCI as of December 31 are as follows:

(Amounts in PHP)	**2025**	2024
Balance at beginning of year	**1,013,400,000**	1,270,128,000
Fair value losses	**(91,206,000)**	(256,728,000)
Balance at end of year	**922,194,000**	1,013,400,000
Cost	**832,950,000**	832,950,000
Accumulated fair value gains:		
Balance at beginning of year	**180,450,000**	437,178,000
Fair value losses for the year	**(91,206,000)**	(256,728,000)
	89,244,000	180,450,000
Balance at end of year	**922,194,000**	1,013,400,000

Financial assets at FVOCI pertain to investments held by EPHI in equity securities of the Ultimate Parent Company, whose shares are listed in the PSE. The fair value of these securities has been determined directly by reference to published prices in an active market. The fair value of these investments as of December 31, 2025 and 2024, is categorized as Level 1 in the fair value hierarchy (see Note 31.2).

The net accumulated fair value gains or losses in financial assets at FVOCI are shown as part of Revaluation Reserves account in the equity section of the consolidated statements of financial position (see Note 26.4).

Dividend income earned amounted to P11.3 million in 2025 and 2024, and P16.9 million in 2023, respectively, and is presented as Dividend income under Finance Income in the consolidated statements of comprehensive income (see Note 22.1).

9. ADVANCES TO LANDOWNERS AND JOINT VENTURES

The cash advances made by the Group relate to a number of joint venture agreements entered into with landowners covering the development of certain parcels of land. The joint venture agreements stipulate that the Group's joint venture partners shall contribute parcels of land and the Group shall be responsible for the planning, conceptualization, design, demolition of existing improvements, construction, financing and marketing of condominium units to be constructed on the properties. Costs incurred by the Group for these projects are recognized as part of Real Estate Inventories account in the consolidated statements of financial position (see Note 7).

In addition to providing specified portion of the total project development costs, the Group also commits to advance mutually agreed-upon amounts to the landowners which will then be used for purposes such as reconsolidation/separation/subdivision of mother titles and relocation of existing occupants. Repayments of these advances may be made upon completion of the project development either in the form of residential condominium, commercial units or developed lots corresponding to the landowners' share in the projects or in the form of cash to be derived from the sales of the landowners' share in the saleable lots and residential condominium units.

The reconciliation of this account as of December 31 are as follows:

(Amounts in PHP)	**2025**	2024
Advances to landowners:		
Balance at beginning of year	**132,064,585**	137,457,632
Additional advances	**379,125**	387,833
Reclassification	**-**	(5,780,880)
Balance at end of year	**132,443,710**	132,064,585
Advances to joint ventures:		
Balance at beginning of year	**105,440,014**	105,436,714
Additional advances	**20,167,868**	13,200
Collections	**-**	(9,900)
Balance at end of year	**125,607,882**	105,440,014
	258,051,592	237,504,599

The Group commits to developing the properties based on the terms agreed with the joint venture partners. The Group has no existing commitment for cash advances under the joint venture agreements as this commitment has been fully complied with by the Group as of December 31, 2025 and 2024.

The net commitment for construction expenditures amounts to:

(Amounts in PHP)	**2025**	2024
Total commitment for construction expenditures	**11,205,054,936**	11,205,054,936
Total expenditures incurred	**(9,782,831,422)**	(9,436,413,353)
Net commitment	**1,422,223,514**	1,768,641,583

The Group's interest in jointly controlled operations and projects ranges from 55% to 82% in 2025 and 2024. The Group's jointly controlled projects are as follows:

- Pioneer Woodlands
- San Lorenzo Place
- Various Metro Manila and CALABARZON projects

The Group accounts for its 82% interest in Pioneer Woodlands as jointly controlled operations since the property where the project is situated is fully owned by the co-joint operator and the Group was engaged in the agreement for the purposes of providing financing, planning, designing, marketing, construction, monitoring, and supervision of all facets of the work on the project. Administrative and operational functions of the project are provided by the Group and bills the co-joint operator for related fees. Decisions related to the operations of the project are defined under an agreement between the Group and the co-joint operator. The Group recognizes in its consolidated financial statements its share of the related assets, liabilities, revenues and expenses arising from the arrangement.

As of December 31, 2025 and 2024, the Group has no other material contingent liabilities with regard to these joint ventures.

10. INVESTMENT IN AN ASSOCIATE AND TRANSACTIONS WITH NON-CONTROLLING INTERESTS

The components of investment in an associate as of December 31 are as follows:

(Amounts in PHP)	**2025**	2024
Investments in associate at equity	**293,960,618**	293,960,618
Accumulated equity in net losses	**(13,686,370)**	(14,084,844)
Equity shares in net income for the year	**887,773**	398,474
Balance at end of year	**(12,798,597)**	(13,686,370)
	281,162,021	280,274,248

10.1 Summarized Financial Information

The aggregated amounts of assets, liabilities, revenues, and net profit of GPMAI as of December 31 are as follows:

(Amounts in PHP)	**Current Assets**	**Non-current Assets**	**Current Liabilities**	**Non-current Liabilities**	**Revenues**	**Net Profit**
2025	**576,938,958**	**18,310,651**	**12,270,312**	**-**	**10,078,402**	**2,598,002**
2024	573,829,498	18,669,885	12,118,088	-	10,319,433	3,878,617
2023					9,758,990	792,367

The associate has no non-controlling interests.

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

(Amounts in PHP)	**2025**	2024
Net assets at end of year	**582,979,297**	580,381,295
Share of GPMAI in net asset of MCPI	**(56,939,375)**	(56,215,498)
	526,039,922	524,165,797
Equity ownership interest	**47.37%**	47.37%
	249,185,111	248,297,338
Nominal goodwill	**31,976,910**	31,976,910
Balance at end of year	**281,162,021**	280,274,248

As of December 31, 2025 and 2024, there are no available fair values for this investment in an associate as this is not listed in stock markets.

Based on the assessment of the management, the investment in an associate is not impaired due to the active efforts of the Group to raise funds to push through with the associate's projects.

10.2 Subsidiaries with Non-controlling Interest

The subsidiaries with non-controlling interest (NCI) are shown below.

(Amounts in PHP)	**Proportion of Ownership Interest and Voting Rights Held by NCI**		**Subsidiary's Consolidated Loss Allocated to NCI**		**Accumulated Equity of NCI**	
Name	**2025**	2024	**2025**	2024	**December 31, 2025**	December 31, 2024
LBASSI	**27.50%**	27.50%	**(1,113,169)**	(1,317,861)	**74,056,577**	75,169,746
SPLI	**40.00%**	40.00%	**(78,171)**	(76,946)	**542,065,735**	542,143,906
PCMI	**60.00%**	60.00%	**(6,112,142)**	(5,445,328)	**2,154,006,244**	2,160,118,386

The summarized financial information of LBASSI, SPLI, and PCMI before intragroup eliminations is shown below.

(Amounts in PHP)	**LBASSI**		**SPLI**		**PCMI**	
	2025	2024	**2025**	2024	**2025**	2024
Current assets	**1,358,255**	1,358,255	**512,124,942**	512,198,117	**2,782,259,776**	2,792,331,992
Non-current assets	**109,079,819**	111,957,079	**-**	-	**816,261,150**	816,261,150
Total assets	**110,438,074**	113,315,334	**512,124,942**	512,198,117	**3,598,520,926**	3,608,593,142
Current liabilities	**7,660,250**	5,973,065	**23,658,815**	23,536,563	**8,510,528**	8,395,840
Non-current liabilities	**5,739,497**	5,739,497	**-**	-	**-**	-
Total liabilities	**13,399,747**	11,712,562	**23,658,815**	23,536,563	**8,510,528**	8,395,840
Equity	**97,038,327**	101,602,772	**488,466,127**	488,661,554	**3,590,010,398**	3,600,197,302

	LBASSI 2025	2024	2023	**SPLI 2025**	2024	2023	**PCMI 2025**	2024	2023
Revenues	**-**	-	-	**-**	-	-	**674**	921	891
Net loss	**(4,564,445)**	(5,310,194)	(3,934,720)	**(195,427)**	(192,366)	(194,946)	**(10,186,904)**	(9,075,547)	(10,575,921)
Other Comprehensive Loss	**-**	-	-	**-**	-	-	**-**	-	-
Total Comprehensive Loss	**(4,564,445)**	**(5,310,194)**	**(3,934,720)**	**(195,427)**	**(192,366)**	**(194,946)**	**(10,186,904)**	**(9,075,547)**	**(10,575,921)**
Net cash used in operating activities	**-**	-	-	**(109,724)**	(202,234)	(299,740)	**(107,310)**	(195,084)	(263,551)
Net cash from investing activities	**-**	-	-	**-**	-	-	**-**	-	-
Net cash from financing activities	**-**	-	-	**3,756**	205,411	376,996	**-**	-	-
Net cash inflow (outflow)	**-**	-	-	**(105,968)**	3,177	77,256	**(107,310)**	(195,084)	(263,551)

In 2025, 2024 and 2023, LBASSI, SPLI and PCMI have not declared nor paid any dividends.

10.3 Contingent Liabilities

As of December 31, 2025 and 2024, the Group has no contingent liabilities for subsidiaries with significant non-controlling interest and associate which were incurred jointly with other investors and the Group is not severally liable for all or part of the contingent liabilities of the subsidiaries and associate.

11. PROPERTY AND EQUIPMENT

The gross carrying amounts and accumulated depreciation and amortization of items of property and equipment at the beginning and end of 2025 and 2024 are shown below.

(Amounts in PHP)	Land	Building and Other Improvements	Leasehold Improvements	Transportation Equipment	Office Furniture and Equipment	Right-of-use Assets	Total
December 31, 2025							
Cost	81,095,000	172,122,782	97,269,393	59,997,698	136,372,108	-	546,856,981
Accumulated depreciation and amortization	-	(65,897,029)	(94,431,274)	(51,954,394)	(130,343,902)	-	(342,626,599)
Net carrying amount	**81,095,000**	**106,225,753**	**2,838,119**	**8,043,304**	**6,028,206**	**-**	**204,230,382**
December 31, 2024							
Cost	81,095,000	92,376,453	97,269,393	56,290,358	134,461,386	42,663,054	504,155,644
Accumulated depreciation and amortization	-	(61,862,822)	(91,360,395)	(50,649,121)	(129,493,574)	(24,149,013)	(357,514,925)
Net carrying amount	81,095,000	30,513,631	5,908,998	5,641,237	4,967,812	18,514,041	146,640,719
January 1, 2024							
Cost	81,095,000	92,376,453	96,912,251	56,926,304	131,770,269	42,663,054	501,743,331
Accumulated depreciation and amortization	-	(59,024,808)	(88,110,105)	(52,516,699)	(126,832,381)	(14,400,981)	(340,884,974)
Net carrying amount	81,095,000	33,351,645	8,802,146	4,409,605	4,937,888	28,262,073	160,858,357

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

(Amounts in PHP)	Land	Building and Other Improvements	Leasehold Improvements	Transportation Equipment	Office Furniture and Equipment	Right-of-use Assets	Total
Balance at January 1, 2025, net of accumulated depreciation, amortization, and impairment	81,095,000	30,513,631	5,908,998	5,641,237	4,967,812	18,514,041	146,640,719
Additions	-	79,746,329	-	4,664,268	4,669,271	-	89,079,868
Disposal	-	-	-	(252,381)	(17,817)	-	(270,198)
Derecognition	-	-	-	-	-	(17,499,860)	(17,499,860)
Depreciation and amortization charges for the year	-	(4,034,207)	(3,070,879)	(2,009,820)	(3,591,060)	(1,014,181)	(13,720,147)
Net carrying amount at December 31, 2025	**81,095,000**	**106,225,753**	**2,838,119**	**8,043,304**	**6,028,206**	**-**	**204,230,382**
Balance at January 1, 2024, net of accumulated depreciation, amortization, and impairment	81,095,000	33,351,645	8,802,146	4,409,605	4,937,888	28,262,073	160,858,357
Additions	-	-	357,142	2,983,518	2,725,027	-	6,065,687
Disposal	-	-	-	(297,247)	-	-	(297,247)
Depreciation and amortization charges for the year	-	(2,838,014)	(3,250,290)	(1,454,639)	(2,695,103)	(9,748,032)	(19,986,078)
Net carrying amount at December 31, 2024	81,095,000	30,513,631	5,908,998	5,641,237	4,967,812	18,514,041	146,640,719
Balance at January 1, 2023, net of accumulated depreciation, amortization, and impairment	81,095,000	37,316,082	9,770,824	1,743,214	2,219,049	-	132,144,169
Additions	-	-	4,770,951	4,173,679	4,787,946	42,663,054	56,395,630
Write-off	-	-	-	-	(232,766)	-	(232,766)
Depreciation and amortization charges for the year	-	(3,964,437)	(5,739,629)	(1,507,288)	(1,836,341)	(14,400,981)	(27,448,676)
Net carrying amount at December 31, 2023	81,095,000	33,351,645	8,802,146	4,409,605	4,937,888	28,262,073	160,858,357

The amount of depreciation and amortization of property and equipment is presented as part of Depreciation and Amortization account under Costs and Expenses section of the consolidated statements of comprehensive income.

The Group derecognized certain fully depreciated transportation equipment with a cost of P3.2 million in 2024 and P2.1 million in 2023 and certain furniture and fixtures with a carrying value of P0.2 million in 2023. There were no similar transactions in 2025.

In 2021, certain leasehold improvements amounting to P78.5 million were derecognized due to termination of related lease. In 2023, such cost of leasehold improvements were considered as part of lease credits in the Group's new lease agreement with Megaworld (see Note 17). There were no similar transactions in 2025 and 2024.

In 2025, the Group derecognized right-of-use assets arising from (a) the end of a lease contract, resulting in the derecognition of a right-of-use asset with a cost of P14.2 million, and (b) the pre-termination of another lease contract, which resulted in the derecognition of a right-of-use asset with a cost of P28.5 million and a carrying amount of P17.5 and was reclassified to lease credits to be applied to future lease arrangements (see Note 17). There were no similar transactions in 2024 and 2023.

The Group sold fully depreciated transportation equipment for P0.2 million and various fixed assets with a net carrying value of P0.3 million for P0.7 million in 2025. In 2024, the Group disposed of fixed assets with a net carrying value of P0.3 million for P0.4 million. The resulting gains of P0.6 million in 2025 and P0.1 million in 2024 were recognized as part of Gain on asset disposal under Other Income in the consolidated statements of comprehensive (see Note 21.1).

Property and equipment are subject to impairment testing whenever there is an indication that the carrying amount may not be recoverable. No impairment loss was recognized in 2025, 2024 and 2023 as the recoverable amount of these assets determined by management is higher than its carrying value.

The cost of fully depreciated assets still used in business amounted to P265.6 million and P254.6 million as of December 31, 2025 and 2024, respectively.

12. INTANGIBLE ASSETS

This account is composed of the following:

(Amounts in PHP)	**2025**	2024
Software licenses	**20,858,596**	27,070,890
Goodwill	**979,123**	979,123
	21,837,719	28,050,013

In 2023, the Group has recognized an impairment loss on goodwill related to LBASSI amounting to P77.3 million (see Note 3.2). There were no similar transactions in both 2025 and 2024. The remaining goodwill arose from the acquisition of VVPI.

Goodwill arising from the acquisition of subsidiaries mentioned above were recognized based on management's expected future economic benefit and synergies that will result from combining the operation of the acquired subsidiaries.

The gross carrying amounts and allowance for impairment of goodwill at the beginning and end of 2025 and 2024 are shown below. *(Amounts in PHP)*

Cost	78,326,757
Allowance for impairment	(77,347,634)
Net carrying amount	**979,123**

The gross carrying amounts and accumulated amortization of software licenses at the beginning and end of 2025 and 2024 are shown below.

(Amounts in PHP)	**2025**	2024
Cost	**62,122,935**	62,122,935
Accumulated amortization	**(41,264,339)**	(35,052,045)
Net carrying amount	**20,858,596**	27,070,890

A reconciliation of the carrying amounts of intangible assets for the beginning and end of 2025, 2024 and 2023 is shown below.

(Amounts in PHP)	**2025**	2024	2023
Balance at beginning of year	**28,050,013**	34,262,307	117,822,235
Amortization expense for the year	**(6,212,294)**	(6,212,294)	(6,212,294)
Impairment loss on goodwill	**-**	-	(77,347,634)
Balance at end of year	**21,837,719**	28,050,013	34,262,307

The impairment loss on goodwill is presented as part of Other Expenses account, while the amount of amortization charges is presented as part of Depreciation and Amortization account under Costs and Expenses section of the consolidated statements of comprehensive income.

Intangible assets are subject to impairment testing whenever there is an indication that the carrying amount may not be recoverable. No impairment loss was required to be recognized in 2025 and 2024 as the recoverable amount of intangible assets determined by management is higher than its carrying value.

13. INVESTMENT PROPERTIES

The Group's investment properties pertain to building and office and commercial units held for lease and a parcel of land held for capital appreciation. Rental income arising from the Group's operating leases recognized for the years ended December 31, 2025, 2024 and 2023 amounted to P110.4 million, P121.7 million, and P92.8 million, respectively, and are presented as part of Rental Income in the consolidated statements of comprehensive income. There is no rental income arising from finance lease in 2025, 2024 and 2023. Real estate taxes and depreciation substantially represent direct costs incurred related to these properties. Since all recorded investment properties earned rental income during the year, there were no direct operating expenses pertaining to investment properties not generating rental income. Real estate tax amounting to P2.5 million in 2025, P2.3 million in 2024, and P1.5 million in 2023 and repairs and maintenance amounting to P1.3 million, P1.8 million, and P2.6 million, in 2025, 2024 and 2023, respectively, were recognized as related expense in those years, and were presented as part of Taxes and Licenses, and Repairs and maintenance under Other Expenses account in the consolidated statements of comprehensive income (see Note 21.2).

The rental income from the operating leases of the Group is composed of the following:

(Amounts in PHP)	**2025**	2024	2023
Fixed	**75,325,585**	82,709,280	81,021,234
Variable	**35,060,728**	38,957,633	11,768,292
	110,386,313	121,666,913	92,789,526

The gross carrying amounts and accumulated depreciation of investment properties at the beginning and end of 2025 and 2024 are shown below.

(Amounts in PHP)		**Held for Lease**		
	Land	**Building**	**Other Properties**	**Total**
December 31, 2025				
Cost	1,040,000	-	940,600,790	941,640,790
Accumulated depreciation	-	-	(388,815,680)	(388,815,680)
Net carrying value	**1,040,000**	**-**	**551,785,110**	**552,825,110**
December 31, 2024				
Cost	1,040,000	47,274,140	925,460,396	973,774,536
Accumulated depreciation	-	(40,892,129)	(373,818,545)	(414,710,674)
Net carrying value	1,040,000	6,382,011	551,641,851	559,063,862
January 1, 2024				
Cost	1,040,000	47,274,140	925,460,396	973,774,536
Accumulated depreciation	-	(38,764,793)	(347,927,332)	(386,692,125)
Net carrying value	1,040,000	8,509,347	577,533,064	587,082,411

A reconciliation of the carrying amount of investment properties at the beginning and end of 2025, 2024, and 2023 is shown below.

(Amounts in PHP)	Land	Held for Lease Building	Held for Lease Other Properties	Total
Balance at January 1, 2025, net of accumulated depreciation	1,040,000	6,382,011	551,641,851	559,063,862
Additions	-	-	15,140,394	15,140,394
Disposal	-	(4,254,675)	-	(4,254,675)
Depreciation charges for the year	-	(2,127,336)	(14,997,135)	(17,124,471)
Balance at December 31, 2025, net of accumulated depreciation	**1,040,000**	**-**	**551,785,110**	**552,825,110**
Balance at January 1, 2024, net of accumulated depreciation	1,040,000	8,509,347	577,533,064	587,082,411
Depreciation charges for the year	-	(2,127,336)	(25,891,213)	(28,018,549)
Balance at December 31, 2024, net of accumulated depreciation	1,040,000	6,382,011	551,641,851	559,063,862
Balance at January 1, 2023, net of accumulated depreciation	1,040,000	10,636,683	603,424,277	615,100,960
Depreciation charges for the year	-	(2,127,336)	(25,891,213)	(28,018,549)
Balance at December 31, 2023, net of accumulated depreciation	1,040,000	8,509,347	577,533,064	587,082,411

In 2025, the Group sold certain investment property with a carrying value of P4.3 million. The Group recognized a gain of P68.0 million, which is presented as part of Gain on asset disposal under Other Income in the 2025 consolidated statement of comprehensive income (see Note 20.1). The P72.2 million proceeds from the sale is still receivable as of December 31, 2025 and is presented as part of Others under Trade and Other Receivables in the 2025 consolidated statement of financial position (see Note 6). There were no similar transactions in 2024 and 2023.

The amount of depreciation on investment properties is presented as part of Depreciation and Amortization account under Costs and Expenses section in the consolidated statements of comprehensive income.

Investment properties are subject to impairment testing whenever there is an indication that the carrying amount may not be recoverable. No impairment loss was recognized in 2025, 2024 and 2023 as the recoverable amount of these assets determined by management is higher than its carrying value.

Other information relating to fair value measurements and disclosures of investment properties are disclosed in Note 31.4.

14. INTEREST-BEARING LOANS AND BORROWINGS

The details of interest-bearing loans and borrowings from local bank is discussed below.

(Amounts in PHP) 2025	*(Amounts in PHP)* 2024	Interest Rate	Interest Rate	Maturity
450,000,000	650,000,000	Floating rate at 7.2% subject to quarterly repricing	Unsecured	Up to 2028

In 2021, the Group obtained an interest-bearing, unsecured seven-year P1.0 billion loan from a local bank. The loan was released in full in February 2021 and bears a floating interest rate per annum. The proceeds were used to fund the development of the Group's various real estate projects and its working capital requirements. The principal of the loan is payable in 20 equal quarterly payments starting on May 5, 2023, with two-year grace period and interest is payable quarterly in arrears.

The bank loan requires the Group to maintain a debt-to-equity ratio of not more than 1:1, a debt service coverage ratio of not less than 1.25:1, and a current ratio of not less than 2:1. As of December 31, 2025 and 2024, the Group is in compliance with such financial covenant obligations.

The total interest on these interest-bearing loans and borrowings in 2025, 2024, and 2023 amounted to P42.5 million, P65.7 million, and P80.4 million, respectively (see Note 22.2). The related interest amounting to P63.0 million in 2023 is capitalized as part of Real Estate Inventories account in the 2023 consolidated statement of financial position. Unpaid interest as of December 31, 2025 and 2024 amounted to P5.1 million, and P8.6 million, respectively, and is presented as Interest payable under the Trade and Other Payables account in the consolidated statements of financial position (see Note 15).

There were no loan issuance costs incurred as all loans are directly availed from banks.

Interest-bearing loans and borrowings are presented in the consolidated statements of financial position as follows:

(Amounts in PHP)	**2025**	2024
Current	**200,000,000**	200,000,000
Non-current	**250,000,000**	450,000,000
	450,000,000	650,000,000

15. TRADE AND OTHER PAYABLES

This account consists of:

(Amounts in PHP)	Note	**2025**	2024
Trade payable		**2,018,080,276**	2,158,166,886
Accrued expenses		**199,824,492**	179,767,902
Taxes payable		**125,232,684**	165,880,217
Interest payable	14	**5,061,000**	8,615,678
Miscellaneous		**200,000**	200,000
		2,348,398,452	2,512,630,683

Accrued expenses include the Group's obligations to its suppliers that are expected to be settled within 12 months from the end of the reporting period. These liabilities arise mainly from accrual of construction expenditures incurred during the year.

Taxes payable pertains to withholding taxes payable and other statutory payables such as Social Security System, Philippine Health Insurance Corporation and Home Development Mutual Fund contribution.

16. CUSTOMERS' DEPOSITS

Presented below are the details of this account.

(Amounts in PHP)	**2025**	2024
Advances from customers	**3,412,273,750**	3,567,815,251
Other deposits	**1,193,656,616**	1,175,850,542
	4,605,930,366	4,743,665,793

Advances from customers represent cash received from customers for real estate property purchases which have not yet complied with the sales recognition criteria of the Group. The advances are deducted from the contract price once the related real estate sales are recognized by the Group.

Other deposits mainly pertain to cash received from customers for miscellaneous fees and other related expenses to process the transfer of title to customers.

17. LEASES

In 2023, the Group entered into a lease agreement for its office spaces with remaining lease terms of three years. No lease liabilities were recognized due to lease credits granted to the Group amounting to P106.1 million, which is presented as part of Income from lease credits under Other Income in the 2023 consolidated statement of comprehensive income (see Note 21.1). These lease credits represent the cost of leasehold improvements and expenses incurred by the Group in its previously pre-terminated lease agreement with Megaworld, which was later reimbursed by way of application to the Group's future lease payments to Megaworld (see Note 11).

In 2025 and 2024, portions of the lease credits amounting to P15.3 million and P51.4 million, respectively, were applied as payment for the lease agreement with Megaworld. The remaining lease credits amounting to P14.3 million and P12.0 million in 2025 and 2024, respectively, were presented as part of Prepayments and Other Current Assets in the consolidated statements of financial position.

In 2025, the Group derecognized two right-of-use assets related to lease arrangements with Megaworld. A right-of-use asset with a cost of P14.2 million was derecognized following the end of a lease contract. In addition, a right-of-use asset with a cost of P28.5 million and a carrying amount of P17.5 million was derecognized due to pre-termination of another lease agreement. No actual lease payments were made during the term since the expected lease payments had already been fully applied against the lease credit balance. As a result, the excess arising from the early termination, representing the net carrying amount of P17.5 million, was reclassified back to lease credits as this amount will be applied to future lease arrangements with Megaworld and is presented as part of Prepayments and Other Current Assets in the 2025 consolidated statement of financial position (see Note 11). There were no similar transactions in 2024.

The lease does not have variable lease payments which depend on an index or a rate. The lease is non-cancellable and does not contain an option to purchase the underlying lease asset outright at the end of the lease, or to extend the lease for a further term without mutual agreement on both parties. The Group is prohibited from selling or pledging the underlying leased assets as security. The Group must also keep the property in a good state of repair and return the property in its original condition at the end of the lease. Further, the Group must incur maintenance fees on such items in accordance with the lease contracts.

The Group has elected not to recognize lease liability for short-term leases. Payments made under such leases are expensed on a straight-line basis. The expenses relating short-term leases amounted to P19.8 million for both 2025 and 2024, and P13.0 million for 2023 are presented as Rentals under Other Expenses account in the consolidated statements of comprehensive income (see Notes 21.2).

18. OTHER CURRENT LIABILITIES

As of December 31, other current liabilities include the following:

(Amounts in PHP)	Notes	**2025**	2024
Retention payable		**942,487,071**	749,941,703
Refund liability	21.2	**635,390,476**	396,218,713
Refundable deposits	28.1	**56,998,338**	50,913,269
Miscellaneous		**11,761,518**	11,546,846
		1,646,637,403	1,208,620,531

Retention payable pertains to amounts withheld from payments made to contractors to ensure compliance and completion of contracted projects, which ranges from 5% to 10% of every billing made by the contractor. Upon completion of the contracted projects, submission of required bonds and final acceptance of works, the amounts are returned to contractors.

Refund liability pertains to the amount due to buyers of real estate properties which is the cash surrender value of the payments made by them on the cancelled real estate contracts as required by Republic Act (R.A.) 6552, *Realty Installment Buyer Act*. The amount of provision for the years ended 2025, 2024, and 2023 amounted to P253.1 million, P111.7 million, and P57.8 million, respectively, and is presented as Provision for refund liability under Other Expenses account in the consolidated statement of comprehensive income (see Note 21.2).

A reconciliation of the refund liability at beginning and end of the year is shown below.

(Amounts in PHP)	Note	**2025**	2024
Balance at beginning of year		**396,218,713**	287,636,550
Provision during the year	21.2	**253,140,939**	111,670,352
Refunds during the year		**(13,969,176)**	(3,088,189)
Balance at end of year		**635,390,476**	396,218,713

19. REAL ESTATE SALES

19.1 Disaggregation of Revenues

The Group derives revenues from sale of real properties and other income. An analysis of the Group's real estate sales is presented below.

(Amounts in PHP)	**2025**	2024	2023
Geographical areas			
Within Metro Manila	**3,313,305,519**	3,004,498,017	3,439,460,043
Outside Metro Manila	**10,515,370**	238,144,981	558,078,226
	3,323,820,889	3,242,642,998	3,997,538,269
Types of product or services			
Residential condominium	**3,280,794,104**	3,136,454,171	3,651,882,437
Residential lots and house and lots	**43,026,785**	106,188,827	345,655,832
	3,323,820,889	3,242,642,998	3,997,538,269

19.2 Contract Accounts

a. Contract Assets

The Group's contract assets as of December 31 are classified as follows:

(Amounts in PHP)	**2025**	2024
Current	**1,936,196,524**	2,498,252,566
Non-current	**535,063,250**	768,746,952
	2,471,259,774	3,266,999,518

The significant changes in the contract assets balances as of December 31 are as follows:

(Amounts in PHP)	Notes	**2025**	2024
Balance at beginning of year		**3,266,999,518**	2,741,196,068
Effect of adoption of PFRS 15	2.1(b)(ii)	**-**	(202,715,531)
		3,266,999,518	2,538,480,537
Increase as a result of changes in measurement of progress		**1,518,603,001**	572,668,405
Accretion of interest income from significant financing component	22.1	**286,796,190**	155,850,576
Transfers from contract assets recognized at the beginning of year to trade receivables		**(2,601,138,935)**	-
Balance at end of year		**2,471,259,774**	3,266,999,518

b. *Contract Liabilities*

The Group's contract liabilities as of December 31 are classified as follows:

(Amounts in PHP)	**2025**	2024
Current	**164,617,092**	170,000,828
Non-current	**35,217,618**	112,633,789
	199,834,710	282,634,617

The significant changes in the contract liabilities balances as of December 31 are as follows:

(Amounts in PHP)	Notes	**2025**	2024
Balance at beginning of year		**282,634,617**	256,766,937
Effect of adoption of PFRS 15	2.1(b)(ii)	**-**	17,348,096
		282,634,617	274,115,033
Net change arising from timing differences between cash receipts and performance obligations		**(80,574,527)**	23,177,108
Revenue recognized that was included in contract liabilities at the beginning of year		**(14,567,464)**	(22,650,120)
Accretion of interest expense from significant financing component	22.2	**12,342,084**	7,992,596
Balance at end of year		**199,834,710**	282,634,617

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 revenue contracts. The total amount of amortization for 2025, 2024, and 2023 is presented as part of Commissions account under Cost and Expenses section of the consolidated statements of comprehensive income.

The movements in balances of deferred commission in 2025 and 2024 are presented below.

(Amounts in PHP)	**2025**	2024
Balance at beginning of year	**469,205,382**	353,313,187
Additional capitalized cost	**132,495,993**	156,217,463
Amortization for the year	**(90,118,216)**	(40,325,268)
Balance at end of year	**511,583,159**	469,205,382

Incremental costs of commission incurred to obtain contracts are capitalized and are presented as part of Prepayments and Other Current Assets, and Other Non-current Asset accounts in the consolidated statements of financial position as shown below.

(Amounts in PHP)	**2025**	2024 (As restated - see Note 2)
Current	**239,707,912**	163,307,839
Non-current	**271,875,247**	305,897,543
	511,583,159	469,205,382

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 P8.5 billion and P6.1 billion, respectively. As of December 31, 2025 and 2024, the Group expects to recognize revenue from unsatisfied contracts as presented below.

(Amounts in PHP)	**2025**	2024
Within a year	**5,718,542,331**	2,913,019,941
More than one year to three years	**2,741,868,283**	3,008,620,097
More than three years to five years	-	228,062,716
	8,460,410,614	6,149,702,754

20. COST OF REAL ESTATE SALES

The breakdown of the cost of real estate sales are as follows (see Note 7):

(Amounts in PHP)	**2025**	2024	2023
Contracted services	**1,849,120,576**	1,800,065,159	2,097,483,149
Land cost	**196,916,123**	224,542,314	286,217,315
Borrowing cost	**-**	-	75,798,696
Other costs	**46,957,785**	29,108,305	37,889,224
	2,092,994,484	2,053,715,778	2,497,388,384

21. OTHER INCOME AND EXPENSES

21.1 Other Income

The details of this account are shown below.

(Amounts in PHP)	Notes	**2025**	2024	2023
Forfeited collections and deposits		**936,503,543**	522,563,375	247,937,294
Marketing and management fees	25.2	**80,801,806**	91,611,260	115,119,420
Gain on asset disposal	11, 13	**68,603,090**	132,890	-
Income from lease credits	17	**-**	-	106,091,000
Miscellaneous		**1,366,626**	10,108,807	4,292,176
		1,087,275,065	624,416,332	473,439,890

Forfeited collections and deposits include reservation fees and all payments made by delinquent buyers, net of any loss on cancellations. This also includes portion of payments received by the Group upon approval of buyer's request to transfer to other units.

Miscellaneous fees include manning charges.

21.2 Other Expenses

The breakdown of this account is shown below.

(Amounts in PHP)	Notes	**2025**	2024	2023
Provision for refund liability	18	**253,140,939**	111,670,352	57,795,155
Repairs and maintenance	13	**52,886,778**	35,036,943	10,152,921
Utilities		**30,958,774**	16,911,713	15,360,839
Computer license subscription		**26,386,127**	13,333,781	4,413,127
Impairment loss on related party advances	25.1	**25,000,000**	-	-
Rentals	17	**19,763,607**	19,782,740	12,955,227
Professional fees	25.3	**17,319,685**	26,769,046	12,093,101
Outside services		**17,110,424**	12,558,756	1,256,786
Security services		**15,836,958**	18,943,242	11,099,402
Janitorial services		**14,947,913**	12,144,154	5,525,555
Insurance		**13,497,947**	11,413,934	6,674,259
Office supplies		**11,684,909**	8,416,762	2,189,651
Training, seminars and other benefits		**8,227,611**	5,637,172	6,915,628
Marketing events and awards		**6,518,594**	3,938,543	4,827,844
Documentation		**3,592,382**	2,346,785	1,620,282
Representation		**933,644**	446,082	208,212
Impairment loss on goodwill	12	**-**	-	77,347,634
Miscellaneous		**14,240,378**	8,272,510	4,037,225
		532,046,670	307,622,515	234,472,848

Miscellaneous expenses include bank charges, motor vehicle registration and others.

22. FINANCE INCOME AND FINANCE COSTS

22.1 Finance Income

The breakdown of this account is shown below.

(Amounts in PHP)	Notes	**2025**	2024	2023
Interest income:				
Significant financing component	19.2(a)	**286,796,190**	155,850,576	-
Advances to related parties	25.1	**252,259,722**	446,129,092	341,017,636
Amortization of day-one loss on noninterest-bearing financial instruments	6	**193,534,198**	172,877,182	121,259,226
Cash and cash equivalents	5	**67,065,723**	91,440,493	80,949,550
Trade and other receivables	6	**10,130,050**	28,827,986	27,007,752
Dividend income	8	**11,260,000**	11,260,000	16,890,000
Foreign currency gain - net		**715,060**	7,273,446	315,709
		821,760,943	913,658,775	587,439,873

22.2 Finance Costs

The breakdown of finance costs is shown below.

(Amounts in PHP)	Notes	**2025**	2024	2023
Interest expense on advances from related parties	25.1	**312,118,090**	405,541,070	370,332,612
Bank loans	14	**42,461,447**	65,748,636	17,360,365
Net interest expense on post-employment defined benefit obligation	23.2	**13,706,872**	12,580,409	3,399,996
Significant financing component	19.2(b)	**12,342,084**	7,992,596	-
		380,628,493	491,862,711	391,092,973

23. SALARIES AND EMPLOYEE BENEFITS

23.1 Salaries and Employee Benefits Expense

Expenses recognized for salaries and employee benefits are presented below.

(Amounts in PHP)	Note	**2025**	2024	2023
Short-term benefits		**464,955,673**	435,323,774	407,014,182
Post-employment benefits	23.2	**29,422,396**	32,839,653	24,088,024
		494,378,069	468,163,427	431,102,206

23.2 Post-employment Benefits

(a) Characteristics of the Defined Benefit Plan

The Group maintains a partially funded, tax qualified, non-contributory, post-employment defined benefit plan that is being administered by a trustee bank that is legally separated from the Group. The post-employment defined benefit plan covers all regular full-time employees.

The normal retirement age is 60 with a minimum of five years of credited service. The post-employment defined benefit plan provides for retirement ranging from 60% to 200% of final monthly salary for every year of credited service but shall not be less than the regulatory benefit under the R.A. 7641, *The Retirement Pay Law*, or the applicable retirement law at the time of the member's retirement.

(b) Explanation of the Amounts Presented in the Consolidated Financial Statements

Actuarial valuations are made regularly to update the retirement benefit costs and the amount of contributions. All amounts are presented below and in the succeeding pages are based on the latest actuarial valuation reports obtained from independent actuaries.

The amounts of post-employment benefit recognized in the consolidated statements of financial position are determined as follow:

(Amounts in PHP)	**2025**	2024
Present value of the obligation	**635,897,119**	602,557,070
Fair value of the assets	**(402,717,945)**	(364,458,106)
	233,179,174	238,098,964

The movements in the present value of the post-employment DBO recognized in the books are as follows:

(Amounts in PHP)	**2025**	2024
Balance at beginning of year	**602,557,070**	577,559,995
Interest expense	**37,018,243**	37,402,074
Current service cost	**29,422,396**	32,839,653
Remeasurements —		
Actuarial losses (gains) arising from:		
Experience adjustments	**26,657,572**	18,437,581
Changes in financial assumptions	**(12,526,654)**	13,305,192
Changes in demographic assumptions	**(11,158,308)**	8,309,751
Benefits paid	**(36,073,200)**	(85,297,176)
Balance at end of year	**635,897,119**	602,557,070

The movements in the fair value of plan assets are presented below.

(Amounts in PHP)	**2025**	2024
Balance at beginning of year	**364,458,106**	423,561,403
Benefits paid	**(36,073,200)**	(85,297,176)
Interest income	**23,311,371**	24,821,665
Actual contribution	**53,000,000**	3,250,000
Loss on plan assets (excluding amounts included in net interest)	**(1,978,332)**	(1,877,786)
Balance at end of year	**402,717,945**	364,458,106

The fair value of plan assets is composed of the following (in millions):

(Amounts in PHP)	**2025**	2024
Cash and cash equivalents	**231.9**	231.4
Investment in government issued debt securities	**170.8**	133.1
	402.7	364.5

The plan assets earned a return of P21.3 million, P22.9 million and P18.4 million in 2025, 2024 and 2023, respectively.

As of December 31, 2025 and 2024, the Group's retirement fund does not include any investments in any equity securities issued by the Group or any of its related parties.

The components of amounts recognized in the consolidated statements of comprehensive income in respect of the post-employment defined benefit plan are as follows:

(Amounts in PHP)	Notes	**2025**	2024	2023
Reported in profit or loss:				
Current service cost	23.1	**29,422,396**	32,839,653	24,088,024
Net interest expense	22.2	**13,706,872**	12,580,409	3,399,996
		43,129,268	45,420,062	27,488,020
Reported in other comprehensive income (loss):				
Actuarial gains (losses) arising from:				
- experience adjustments		**(26,657,572)**	(18,437,581)	1,680,455
- changes in financial assumptions		**12,526,654**	(13,305,192)	(99,593,708)
- demographic assumptions		**11,158,308**	(8,309,751)	(4,141,883)
Loss on plan assets (excluding amounts included in net interest)		**(1,978,332)**	(1,877,786)	(10,234,934)
		(4,950,942)	(41,930,310)	(112,290,070)

Current service cost is presented as part of Salaries and Employee Benefits under Costs and Expenses section in the consolidated statements of comprehensive income (see Note 23.1) while the amounts of net interest expense are included under Finance Costs under Costs and Expenses section in the consolidated statements of comprehensive income (see Note 22.2).

The amounts recognized in other comprehensive income were included within items that will not be reclassified subsequently to profit or loss.

In determining the amounts of the defined benefit post-employment obligation, the following significant actuarial assumptions were used:

	2025	2024	2023
EELHI:			
Discount rates	**6.39%**	6.11%	6.56%
Expected rate of salary increases	**6.00%**	6.00%	6.00%
EPHI:			
Discount rates	**6.21%**	6.15%	6.04%
Expected rate of salary increases	**5.53%**	6.32%	6.81%

The other subsidiaries currently do not have employees and their accounting and other administrative functions are being handled by the Company; hence, there was no cost of retirement benefits recognized.

Assumptions regarding future mortality experience are based on published statistics and mortality tables. The average remaining working life of an individual retiring at the age of 60 for both males and females is shown below.

	Retirement Age	Average Remaining Working Life
EELHI	60	27
EPHI	60	16

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 government bond with terms to maturity approximating the terms of the retirement obligation. Other assumptions are based on current actuarial benchmarks and management's historical experience.

(c) Risks Associated with the Retirement Plan

The plan exposes the Group to actuarial risks such as investment and interest rate risk, longevity risk and salary risk.

(i) Investment and Interest Rate Risks

The present value of the DBO is calculated using a discount rate determined by reference to market yields of government bonds. Generally, a decrease in the interest rate of reference government bonds will increase the plan obligation. However, this will be partially offset by an increase in the return on the plan's investments in debt securities and if the return on plan asset falls below this rate, it will create a deficit in the plan. Currently, the plan has relatively balanced investment in cash and cash equivalents and debt securities. Due to the long-term nature of the plan obligation, a level of continuing debt investments is an appropriate element of the Group's long-term strategy to manage the plan efficiently.

(ii) Longevity and Salary Risks

The present value of the DBO is calculated by reference to the best estimate of the mortality of the plan participants both during and after their employment, and to their future salaries. Consequently, increases in the life expectancy and salary of the plan participants will result in an increase in the plan obligation.

(d) Other Information

The information on the sensitivity analysis for certain significant actuarial assumptions, the Group's asset-liability matching strategy, and the timing and uncertainty of future cash flows related to the retirement plan are described below and in the succeeding pages.

(i) Sensitivity Analysis

The following table summarizes the effects of changes in the significant actuarial assumptions used in the determination of the DBO as of December 31:

	Impact on Post-employment Benefit Obligation		
(Amounts in PHP)	**Change in Assumption**	**Increase in Assumption**	**Decrease in Assumption**
2025			
EELHI			
Discount rate	**+7.5%/-8.7%**	**(40,899,583)**	**47,176,200**
Salary increase rate	**+8.6%/-7.6%**	**46,887,183**	**(41,403,803)**
EPHI			
Discount rate	**+/-0.5%**	**(2,656,367)**	**2,868,607**
Salary increase rate	**+/-1.0%**	**5,672,172**	**(4,919,330)**
2024			
EELHI			
Discount rate	+7.3%/-8.3%	(36,603,911)	41,895,892
Salary increase rate	+8.3%/-7.4%	41,522,960	(36,965,740)
EPHI			
Discount rate	+/-0.5%	(2,991,909)	3,272,690
Salary increase rate	+/-1.0%	6,377,735	(5,490,264)

The above 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 DBO as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the DBO 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 DBO 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 previous years.

(ii) Asset-liability Matching Strategies

To efficiently manage the retirement plan, the Group through its BOD, ensures that the investment positions are managed in accordance with its asset-liability matching strategy to achieve those long-term investments are in line with the obligations under the retirement scheme. This strategy aims to match the plan assets to the retirement obligations by investing in debt securities and maintaining cash and cash equivalents that match the benefit payments as they fall due and in the appropriate currency. The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the retirement obligations.

In view of this, investments are made in reasonably diversified portfolio, such that the failure of any single investment would not have a material impact on the overall level of assets.

There has been no change in the Group's strategies to manage its risks from previous periods.

(iii) Funding Arrangements and Expected Contributions

The plans are currently underfunded by P233.2 million based on the latest actuarial valuation. While there are no minimum funding requirements in the country, the size of the underfunding may pose a cash flow risk in about 10 to 20 years' time when a significant number of employees is expected to retire.

The Group expects to make a contribution of at least P53.3 million to the plan during the next reporting period.

The maturity profile of undiscounted expected benefit payments from the plan for the next 20 years follows:

(Amounts in PHP)	**2025**	2024
Within one year	**210,107,059**	202,205,422
More than one year to five years	**61,262,307**	65,488,416
More than five years to 10 years	**361,517,846**	389,468,040
More than 10 years to 15 years	**67,818,227**	45,425,892
More than 15 years to 20 years	**54,915,543**	89,200,000
More than 20 years	**140,956,061**	133,162,434
	896,577,043	924,950,204

The weighted average duration of the DBO at the end of the reporting period is 8.10 to 14 years.

24. TAX EXPENSE

The components of tax expense reported in the consolidated statements of comprehensive income for the years ended December 31 are presented below.

(Amounts in PHP)	**2025**	2024	2023
Reported in profit or loss:			
Current tax expense:			
Regular corporate income tax (RCIT) at 25% and 20%	**176,171,587**	133,993,061	92,737,922
Final tax at 20%, 15% and 7.5%	**13,327,985**	18,185,780	16,154,222
Minimum corporate income tax (MCIT) at 2%	**1,310,077**	1,012,195	-
	190,809,649	153,191,036	108,892,144
Deferred tax expense (income) relating to origination and reversal of temporary differences	**(71,176,781)**	54,613,894	111,107,012
	119,632,868	207,804,930	219,999,156
Reported in other comprehensive income or loss			
Deferred tax income relating relating to –			
Origination and reversal of temporary differences	**(1,237,736)**	(10,482,578)	(28,072,519)

The reconciliation of tax on pre-tax profit computed at the applicable statutory rates to tax expense as reported in the profit or loss section of the consolidated statements of comprehensive income is as follows:

(Amounts in PHP)	**2025**	2024	2023
Tax on pre-tax profit at 25%	**229,033,009**	222,021,501	244,484,932
Adjustment for income subjected to lower income tax rates	**(2,904,025)**	(3,936,944)	(3,879,132)
Tax effects of:			
Non-taxable income on forfeited collections	**(36,015,249)**	(32,186,712)	(48,230,566)
Non-deductible interest expense	**6,431,941**	6,569,144	4,046,398
Non-deductible taxes and licenses	**4,920,506**	7,996,056	3,292,722
Others – net	**(81,833,314)**	7,341,885	20,284,802
	119,632,868	207,804,930	219,999,156

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

	Consolidated Statements of Financial Position		Consolidated Statement of Profit or Loss		
(Amounts in PHP)	**2025**	2024	**2025**	2024	2023
Deferred tax assets:					
Provision for refund liability	**158,847,618**	99,054,677	**(59,792,941)**	(27,145,540)	(13,983,010)
Retirement benefit obligation	**58,442,153**	59,524,741	**2,320,324**	(10,542,515)	6,502,996
Allowance for impairment	**6,250,000**	-	**(6,250,000)**	-	-
	223,539,771	158,579,418	**(63,722,617)**	(37,688,055)	(7,480,014)
Deferred tax liabilities:					
Uncollected realized gross profit	**(2,084,429,077)**	(2,096,466,090)	**(12,037,013)**	62,847,789	127,381,806
Deferred commission	**(127,895,791)**	(117,301,347)	**10,594,444**	28,973,048	16,643,766
Rental income recognized based on PFRS 16	**(1,435,198)**	(1,178,685)	**256,512**	1,178,685	-
Unrealized foreign exchange loss - net	**(178,766)**	(1,818,363)	**(1,639,596)**	1,739,435	36,675
Right of use assets – net	**-**	(4,628,511)	**(4,628,511)**	(2,437,008)	7,065,519
Capitalized borrowing cost	**-**	-	**-**	-	(32,540,740)
	(2,213,938,832)	(2,221,392,996)	**(7,454,164)**	92,301,949	118,587,026
Deferred tax expense (income)			**(71,176,781)**	54,613,894	111,107,012
Net deferred tax liabilities	**(1,990,399,061)**	(2,062,813,578)			

The deferred tax income presented in Other Comprehensive Income (Loss) section in the consolidated statements of comprehensive income pertains to the tax effect of remeasurements of retirement benefit obligation which resulted to a tax income amounting to P1.2 million in 2025, P10.5 million in 2024, and P28.1 million in 2023.

In 2025 and 2024, the Group is subject to the MCIT, which is computed at 2% of gross income net of allowable deductions, as defined under the tax regulations, or RCIT, whichever is higher.

Presented below are the details of the Group's remaining net operating loss carry over (NOLCO), which can be claimed as deductions from future taxable profit within three to five years from the year the tax loss was incurred. NOLCO incurred for the taxable year can be claimed as a deduction from the future taxable income until 2026, in accordance with R.A. 11494, *Bayanihan to Recover as One Act.*

(Amounts in PHP)

Year	Original Amount	Expired Amount	Remaining Balance	Valid Until
2025	15,765,258	-	15,765,258	2028
2024	15,093,219	-	15,093,219	2027
2023	15,512,903	-	15,512,903	2026
2022	9,319,501	(9,319,501)	-	
2021	28,708,937	-	28,708,937	2026
2020	11,885,277	(11,885,277)	-	
	96,285,095	**(21,204,778)**	**75,080,317**	

PCMI, LBASSI, EECI, SPLI, SOHI, VVPI and 20th Century did not recognize deferred tax assets on their respective NOLCO as management believes that the related deferred tax assets may not be recovered within the prescriptive period. The amount of NOLCO for the year ended 2025 for which the related deferred tax asset has not been recognized amounted to a total of P15.8 million with a total tax effect of P3.2 million.

In 2025, 2024 and 2023, the Group opted to claim itemized deductions in computing for its income tax due.

25. RELATED PARTY TRANSACTIONS

The Group's related parties include the Ultimate Parent Company, the Parent Company, related parties under common ownership, associate, key management personnel, and the Group's retirement plan as described in the succeeding pages.

Based on the requirement of SEC Memorandum Circular 2019-10, *Rules of Material Related Party Transactions of Publicly-listed Companies*, transactions amounting to 10% or more of the total consolidated assets based on its latest consolidated financial statements that were entered into with related parties are considered material.

All individual material related party transactions shall be approved by at least two-thirds (2/3) vote of the Parent Company's board of directors, with at least a majority of the independent directors voting to approve the material related party transactions. In case that a majority of the independent directors' vote is not secured, the material related party transaction may be ratified by the vote of the stockholders representing at least two-thirds of the outstanding capital stock. For aggregate related party transactions within a 12-month period that breaches the materiality threshold of 10% of the Group's consolidated total assets based on the latest consolidated financial statements, the same board approval would be required for the transactions that meet and exceeds the materiality threshold covering the same related party.

The summary of the Group's significant transactions and outstanding balances with its related parties are as follows:

(Amounts in PHP)		Amount of Transactions			Outstanding Balance	
Related Party Category	Notes	**2025**	2024	2023	**2025**	2024
Ultimate Parent:						
Financial assets at FVOCI	8	**(91,206,000)**	(256,728,000)	(69,812,000)	**922,194,000**	1,013,400,000
Dividend income	8, 22.1	**11,260,000**	11,260,000	16,890,000	**11,260,000**	11,260,000
Parent:						
Right-of-use assets	11	**18,514,041**	9,748,032	14,400,981	**-**	18,514,041
Lease credits	17	**2,235,140**	(51,385,426)	106,091,000	**14,277,660**	12,042,520
Repayment of advances - net	25.1, 25.4	**221,713,034**	4,891,885	4,513,635	**(5,812,936,324)**	(5,737,525,504)
Interest expense	22.2, 25.1	**(297,123,854)**	(387,523,611)	(349,390,876)	**-**	-
Commission income	25.2	**38,771,246**	35,514,891	37,121,681	**704,853,180**	685,207,769
Obtaining of services	25.3	**1,244,880**	1,141,140	1,244,880	**-**	-
Associate –						
Repayment of advances	25.1	**5,244,332**	4,517,837	2,817,756	**(369,099,030)**	(374,343,362)
Under common ownership:						
Granting (collection) of advances	25.1	**(336,204,195)**	52,097,018	41,858,557	**5,856,815,689**	5,965,760,162
Interest income	22.1, 25.1	**252,259,722**	446,129,092	341,017,636	**-**	-
Repayment of advances	25.1	**58,180,170**	63,017,459	65,941,736	**(239,795,756)**	(282,981,690)
Interest expense	22.2, 25.1	**(14,994,236)**	(18,017,459)	(20,941,736)	**-**	-
Management services	25.2	**42,699,368**	47,344,889	80,287,703	**44,119**	44,119
Lease of property	25.2	**39,267,361**	41,135,041	34,201,327	**9,233,804**	4,714,741
Obtaining of services	25.3	**10,523,694**	21,569,706	-	**-**	-
Key management personnel						
Compensation	25.5	**77,256,335**	76,595,422	84,889,579	**-**	-

Unless otherwise stated, the Group's outstanding receivables from and payables to related parties arising from interest-bearing and noninterest-bearing advances, joint venture agreements, lease of property and cash advances to related party are unsecured, collectible, or payable on demand, and are generally settled in cash or through offsetting arrangements with the related parties (see Note 30.2).

In 2025, the Group offset a total of P212.5 million of outstanding balances between its receivables from and payables to related parties. The offsetting represents reciprocal advances and other intercompany charges between Group. The offsetting reduced both the Advances to Related Parties and Advances from Related Parties by P212.5 million, as shown in the related rollforward schedules. There were no similar transactions in 2024 and 2023.

25.1 Advances to and from Related Parties

The Group grants to and obtains unsecured advances from its Parent Company, associate and other related parties for working capital purposes.

The Advances to Related Parties account represents the outstanding balances arising from cash advances granted by the Group to certain related parties under common ownership. Some of the advances to related parties with outstanding balance of P4.1 billion are interest-bearing with interest rates ranging from 7.13% to 15.00% in 2025 and from 12.00% to 15.00% in 2024. The interest income arising from these interest-bearing advances is presented as part of Finance Income in the consolidated statements of comprehensive income (see Note 22.1). The change in the Advances to Related Parties account are shown below.

(Amounts in PHP)	Notes	**2025**	2024
Balance at beginning of year		**5,965,760,162**	5,467,534,052
Interest income	22.1	**252,259,722**	446,129,092
Offsetting		**(212,493,889)**	-
Reclassification		**-**	(14,227,860)
Additional advances		**42,760,352**	69,804,896
Collection		**(166,470,658)**	(3,480,018)
		5,881,815,689	5,965,760,162
Allowance for impairment	21.2	**(25,000,000)**	-
Balance at end of year		**5,856,815,689**	5,965,760,162

In 2025, the Group recognized impairment loss in relation to the Advances to Related Parties, amounting to P25.0 million, presented under Other Expenses in the 2025 consolidated statement of comprehensive income (see Note 21.2). There were no impairment losses recognized on the outstanding receivables from related parties in 2024 and 2023 based on management's ECL assessment.

The Advances from Related Parties account represents the outstanding balances arising from cash advances obtained by the Group from its Parent Company, associate, and certain related parties under common ownership. Some of the advances from related parties are interest-bearing with interest rates ranging from 7.00% to 7.13% in 2025 and 7.00% to 12.00% in 2024 and 2023. Interest expense related to these advances is presented as part of Finance Costs account in the consolidated statements of comprehensive income (see Note 22.2). The details as of December 31 are as follows:

(Amounts in PHP)	**2025**	2024
Parent	**5,812,936,324**	5,737,525,504
Associate	**369,099,030**	374,343,362
Related parties under common ownership	**239,795,756**	282,981,690
	6,421,831,110	6,394,850,556

The movements in the Advances from Related Parties account is shown below.

(Amounts in PHP)	Note	**2025**	2024
Parent:			
Balance at beginning of year		**5,737,525,504**	5,354,893,778
Accrued interests	22.2	**297,123,854**	387,523,611
Offsetting		**(212,493,889)**	-
Repayments		**(9,219,145)**	(4,891,885)
Balance at end of year		**5,812,936,324**	5,737,525,504
Associate:			
Balance at beginning of year		**374,343,362**	378,861,199
Repayments		**(5,244,332)**	(4,517,837)
Balance at end of year		**369,099,030**	374,343,362
Other related parties under common ownership:			
Balance at beginning of year		**282,981,690**	327,981,690
Repayments		**(59,994,236)**	(63,017,459)
Accrued interests	22.2	**14,994,236**	18,017,459
Additional advances		**1,814,066**	-
Balance at end of year		**239,795,756**	282,981,690

25.2 Rendering of Services

The summary of services offered by the Group is presented below.

	Amount of Transactions		
(Amounts in PHP)	**2025**	2024	2023
Parent –			
Commission income	**38,771,246**	35,514,891	37,121,681
Other related parties under common ownership:			
Management services	**42,699,368**	47,344,889	80,287,703
Lease of property	**39,267,361**	41,135,041	34,201,327
	81,966,729	88,479,930	114,489,030
	120,737,975	123,994,821	151,610,711

The Group handled the administrative functions of certain related parties under common ownership for the latter's ongoing construction and development activities. The amount of revenue earned from such transaction is recognized as part of Marketing and management fees under Other Income account in the consolidated statements of comprehensive income (see Note 21.1) while the outstanding balances are presented as Management fee receivable under Trade and Other Receivables account in the consolidated statements of financial position (see Note 6).

The Group earns marketing fees from the sale of Megaworld's real estate properties. The marketing fee recognized is presented as Commission Income under Revenues and Income section in the consolidated statements of comprehensive income. The outstanding receivables related to these transactions are presented as part of Trade receivables under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 6).

The Group leases certain investment property to a related party under common ownership in 2025, 2024, and 2023. The revenues earned from the lease are included as part of Rental Income account under Revenues and Income section in the consolidated statements of comprehensive income (see Note 28.1). The related outstanding receivables from these transactions are presented as part of Rent receivable under the Trade and Other Receivables account in the consolidated statements of financial position (see Note 6).

25.3 Obtaining of Services

The Group incurred management fees for accounting and marketing services obtained from its Parent Company and a related party under common ownership amounting to P11.8 million, P22.7 million and P1.2 million in 2025, 2024, and 2023, respectively, and is presented as part of Professional Fees under Other Expenses in the consolidated statements of comprehensive income (see Note 21.2). There was no outstanding payable from this transaction as of December 31, 2025 and 2024.

25.4 Joint Development Agreement with Parent Company

The Group, together with Megaworld, executed a joint development agreement for the development of a mixed-use condominium project; whereby the Group shall contribute land and the Parent Company shall develop and sell the property. The entities shall be entitled to a certain percentage of the total saleable area based on the agreed sharing. The land contributed to the joint venture is presented as part of the Real Estate Inventories under Property development cost in the consolidated statements of financial position (see Note 7). As of the end of the reporting period, the property is still being developed and there are no profits received yet from this agreement.

25.5 Key Management Personnel Compensation

The compensation of the Group's key management personnel are as follows:

(Amounts in PHP)	**2025**	2024	2023
Short-term benefits	**66,443,424**	64,642,439	64,860,294
Post-employment benefits	**10,812,911**	11,952,983	20,029,285
	77,256,335	76,595,422	84,889,579

These are presented as part of Salaries and Employee Benefits account under Cost and Expenses section in the consolidated statements of comprehensive income for the years ended December 31, 2025, 2024, and 2023 (see Note 23.1).

25.6 Retirement Plan

The Group has a formal retirement plan established separately for EELHI and EPHI. The Group's retirement fund for its post-employment defined benefit plan is administered and managed by trustee banks. The fair value and the composition of the plan assets as of December 31, 2025 and 2024 are presented in Note 23.2. As of December 31, 2025 and 2024, the Group's retirement fund does not include any investments in any equity securities issued by the Group or any of its related parties.

The Group's transactions with the fund mainly pertain to contributions, benefit payments and interest income.

The retirement fund neither provides any guarantees or surety for any obligation of the Group nor its investments covered by any restrictions or liens.

26. EQUITY

26.1 Capital Stock

Capital stock as of December 31, 2025 and 2024 consists of:

	No. of Shares	Amounts in PHP
Common shares – P1 par value		
Authorized	31,495,200,000	31,495,200,000
Issued	14,803,455,238	14,803,455,238
Treasury shares – at cost	(127,256,071)	(102,106,658)
Total outstanding	14,676,199,167	14,701,348,580
Preferred shares – P1 par value		
Authorized	2,000,000,000	2,000,000,000

Megaworld has 81.73% ownership interest in the Group as of December 31, 2025 and 2024, respectively.

The Series B preferred shares are nonredeemable, convertible into common shares and are nonvoting. The shares have zero coupon rates and shall not be entitled to dividends. The Series B preferred shares shall be convertible to common shares any time after the end of the 18 months from the implementation date, May 29, 1998, as defined in the subscription agreements. There are no subscribed and issued preferred shares as of December 31, 2025 and 2024.

On April 24, 1996, the SEC approved the listing of the Group's shares totaling 425,000,000. The shares were issued at an offer price of P12.90 per share. As of December 31, 2025, 2024, and 2023, there are 12,228, 12,252 and 12,297 shareholders of the listed shares, respectively. The shares were listed and closed at a price of P0.10, P0.12 and P0.13 per share as of December 29, 2025, and December 27, 2024 and 2023, respectively.

26.2 Additional Paid-in Capital

The additional paid-in capital (APIC) pertains to the excess of the total proceeds received from the Group's shareholders over the total par value of the common shares. There were no movements in the Group's APIC accounts in 2025 and 2024.

26.3 Treasury Stock

On March 23, 2006, the Group's BOD authorized the buy-back of up to P1.0 billion worth of Group's shares of common stock within a 24-month period under certain terms and conditions as the Group's senior management may deem beneficial to the Group and its stockholders.

As of December 31, 2025 and 2024, the Group's treasury shares amounted to P102.1 million, representing the cost of 127,256,071 shares reacquired by the Group.

26.4 Revaluation Reserves

Revaluation reserves of the Group are composed of re-measurements on its retirement benefit obligation and fair value movements of the Group's financial assets at FVOCI (see Notes 8 and 23.2).

The components and reconciliation of items of other comprehensive income presented in the consolidated statement of changes in equity at their aggregate amount under Revaluation Reserves account, are shown below.

(Amounts in PHP)	Financial Assets at FVOCI (see Note 8)	Retirement Benefit Obligation (see Note 23.2)	Total
Balance as of January 1, 2025	180,450,000	78,998,994	259,448,994
Remeasurement of retirement benefit obligation	-	(4,950,942)	(4,950,942)
Fair value losses on FVOCI	(91,206,000)	-	(91,206,000)
Other comprehensive loss before tax for the year	(91,206,000)	(4,950,942)	(96,156,942)
Tax income	-	1,237,736	1,237,736
Other comprehensive loss after tax for the year	(91,206,000)	(3,713,206)	(94,919,206)
Balance as of December 31, 2025	**89,244,000**	**75,285,788**	**164,529,788**

(Amounts in PHP)	Financial Assets at FVOCI (see Note 8)	Retirement Benefit Obligation (see Note 23.2)	Total
Balance as of January 1, 2024	437,178,000	110,446,726	547,624,726
Remeasurement of retirement benefit obligation	-	(41,930,310)	(41,930,310)
Fair value losses on FVOCI	(256,728,000)	-	(256,728,000)
Other comprehensive loss before tax for the year	(256,728,000)	(41,930,310)	(298,658,310)
Tax income	-	10,482,578	10,482,578
Other comprehensive loss after tax for the year	(256,728,000)	(31,447,732)	(288,175,732)
Balance as of December 31, 2024	180,450,000	78,998,994	259,448,994
Balance as of January 1, 2023	506,990,000	194,664,277	701,654,277
Remeasurement of retirement benefit obligation	-	(112,290,070)	(112,290,070)
Fair value losses on FVOCI	(69,812,000)	-	(69,812,000)
Other comprehensive loss before tax for the year	(69,812,000)	(112,290,070)	(182,102,070)
Tax income	-	28,072,519	28,072,519
Other comprehensive loss after tax for the year	(69,812,000)	(84,217,551)	(154,029,551)
Balance as of December 31, 2023	437,178,000	110,446,726	547,624,726

26.5 Other Reserves

Other reserves of the Group pertains to the difference between the fair value of consideration paid and the relevant share in the carrying value of the net assets of PCMI as a result of obtaining de facto control over PCMI in 2018 and any subsequent change in ownership interest in the subsidiary (see Note 1.1).

26.6 Retained Earnings

Retained earnings are restricted in the amount of P102.1 million representing the cost of 127,256,071 shares held in treasury as of the end of the reporting periods.

27. EARNINGS PER SHARE

Basic and diluted earnings per share amounts were computed as follows:

(Amounts in PHP, except shares data)	**2025**	2024	2023
Net profit attributable to parent Group's shareholders	**803,802,648**	687,121,209	765,784,371
Number of issued and outstanding common shares	**14,676,199,167**	14,676,199,167	14,676,199,167
Basic and diluted earnings per share	**0.055**	0.047	0.052

Diluted earnings per share equal the basic earnings per share since the Group does not have dilutive shares as of December 31, 2025, 2024 and 2023.

28. COMMITMENTS AND CONTINGENCIES

The following are the significant commitments and contingencies involving the Group:

28.1 Operating Lease Commitments – Group as Lessor

The Group is subject to risk incidental to the operation of its office and commercial properties, which include, among others, changes in market rental rates, inability to renew leases upon lease expiration, and inability to collect rent from tenants due to bankruptcy or insolvency of tenants. Majority of the Group's revenue from rental properties are derived from commercial and parking spaces.

To mitigate these risks, tenants pay security deposits and advance rent equal to three to six months' rent, which are forfeited in case a tenant pre-terminates without prior notice or before the expiry of lease term without cause. In addition, tenants are usually required to pay the monthly rent in advance on a monthly basis, without need of further demand. Security deposits and advance rent are presented as part of Refundable deposits under Other Current Liabilities in the consolidated statements of financial position (see Note 18).

The Group is a lessor under various non-cancellable operating lease agreements covering real estate properties for commercial use. This consists of fixed lease payments with terms ranging from one to 10 years, with renewal options, and include annual escalation rates of 3% to 10%.

The future minimum rental receivable under these non-cancellable operating leases are as follows as of December 31:

(Amounts in PHP)	**2025**	2024	2023
Within one year	**107,633,586**	92,465,532	87,091,504
After one year but not more than two years	**73,513,463**	77,502,033	66,419,329
After two years but not more than three years	**26,142,118**	56,244,394	57,583,883
After three years but not more than four years	**-**	22,599,392	48,775,972
After four years but not more than five years	**-**	-	22,599,392
	207,289,167	248,811,351	282,470,080

The total rentals from these operating leases amounted to about P124.3 million, P134.2 million, and P107.5 million in 2025, 2024, and 2023, respectively, which are recognized as Rental Income account under Revenues and Income section in the consolidated statements of comprehensive income.

28.2 Legal Claims

As of December 31, 2025, and 2024, the Group does not have any litigations within and outside the normal course of its business.

28.3 Credit Lines

The Group has existing credit lines with local banks for a maximum amount of P1,520.0 million as of December 31, 2025 and 2024. The Group has unused lines of credit amounting to P520.0 million as of December 31, 2025 and 2024.

28.4 Capital Commitments

As of December 31, 2025, and 2024, the Group has commitments amounting to P1.4 billion and P1.8 billion for the construction expenditures in relation to the Group's joint venture (see Note 9).

28.5 Others

There are other commitments and contingent liabilities that may arise in the normal course of operations of the Group which is not reflected in the consolidated financial statements. The management of the Group is of the opinion that losses, if any, from these items will not have any material effect on its consolidated financial statements, taken as a whole.

29. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which result from its operating, investing, and financing activities. Risk management is carried out by a central treasury department under policies approved by the BOD and focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns. The Group does not engage in the trading of financial assets for speculative purposes, nor does it write options. The financial risks to which the Group is exposed to are described below and in the succeeding pages.

29.1 Market Risk

The Group is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, and interest rate risk which results from both its operating, investing and financing activities.

(a) Foreign Currency Risk

There is no significant exposure to foreign currency risks since most of the Group's transactions are denominated in Philippine peso, which is its functional currency. The Group's financial asset denominated in foreign currency only pertains to cash and cash equivalents. However, the amount is insignificant to the consolidated financial statements as of December 31, 2025 and 2024 (see Note 22.1). The Group has no financial liabilities denominated in foreign currency.

(b) Interest Rate Risk

The Group's policy is to minimize interest rate cash flow risk exposures on long-term financing. Long-term borrowings are therefore usually obtained and negotiated at fixed rates. However, as of December 31, 2025 and 2024, the Group has an outstanding long-term loan with a variable interest rate (see Note 14).

There is no fixed rate debt in 2025, 2024 and 2023.

As of December 31, 2025 and 2024, the Group is exposed to other changes in market interest through its cash and cash equivalents and other fixed rate long-term borrowings, which are deemed by management to be not significant.

All other financial assets and liabilities have either short-term maturity, noninterest-bearing or are subject to fixed rates (e.g., related party advances).

(c) Other Price Risk

The Group's market price risk arises from its investments carried at fair value (classified as financial assets at FVOCI). It manages its risk arising from changes in market price by monitoring the changes in the market price of the investments.

For equity securities listed in the Philippines, the observed volatility rates of the fair values of the Group's investment held at fair value is determined based on the average market volatility in quoted prices, using standard deviation, in the previous 12 months, estimated at 99% level of confidence. An average volatility 8.14% and 4.8% has been observed during 2025 and 2024, respectively. The impact on the Group's consolidated other comprehensive income and consolidated equity would have increased or decreased by P56.3 million and P36.7 million in 2025 and 2024, respectively.

The investments in quoted equity securities are considered long-term strategic investments. In accordance with the Group's policies, no specific hedging activities are undertaken in relation to these investments. The investments are continuously monitored and voting rights arising from these equity instruments are utilized in the Group's favor. The Group is not subject to commodity price risk.

29.2 Credit Risk

The maximum credit risk exposure of the Group is the carrying amount of the financial assets and contract assets as shown on the face of the consolidated statements of financial position (or in the detailed analysis provided in the notes to the consolidated financial statements), as summarized below.

(Amounts in PHP)	Notes	**2025**	2024
Cash and cash equivalents	5	**2,282,600,494**	2,863,878,581
Trade and other receivables - net (excluding advances to suppliers and contractors, and advances to condominium associations)	6	**11,127,408,265**	9,775,663,705
Contract assets	19.2	**2,471,259,774**	3,266,999,518
Advances to related parties	25.1	**5,856,815,689**	5,965,760,162
		21,738,084,222	21,872,301,966

None of the Group's financial assets are secured by collateral or other credit enhancements, except for cash and cash equivalents, and trade receivables, as described below and in the succeeding pages.

(a) Cash and Cash Equivalents

The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable banks with high quality external credit ratings. Included in the cash and cash equivalents are cash in banks and short-term placements which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of P1.0 million for every depositor per banking institution.

(b) Trade and Other Receivables and Contract Assets

Trade and other receivables (excluding advances to suppliers and contractors and advances to condominium associations) and contract assets are subject to credit risk exposure. The Group, however, does not identify specific concentrations of credit risk with regard to trade receivables and contract assets, as the amounts recognized resemble a large number of receivables from various customers. The Group also retains the titles to the property until such time that the trade receivables are fully collected. Repossessed properties are offered for sale to other customers.

Credit risk of receivables 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. An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. 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 Group considers trade receivables in default when contractual payments 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 which may extend the definition of default to 90 days and beyond. 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 management determined that there is no required ECL to be recognized since the real estate sold is collateralized to the related receivable arising from real estate sales. Therefore, expected loss given default is nil as the recoverable amount from subsequent resale of the real estate is sufficient.

The estimated fair value of the security enhancements held against contract receivables and contract assets arising from real estate sales are presented below.

(Amounts in PHP)	**Gross Maximum Exposure**	**Fair Value of Collaterals**	**Net Exposure**	**Financial Effect of Collaterals**
2025				
Contract assets	2,471,259,774	12,297,496,910	-	2,471,259,774
Contract receivables	9,157,722,233	26,128,121,722	-	9,157,722,233
	11,628,982,007	38,425,618,632	**-**	**11,628,982,007**
2024				
Contract assets	3,266,999,518	17,357,759,211	-	3,266,999,518
Contract receivables	7,966,247,858	27,721,663,399	-	7,966,247,858
	11,233,247,376	45,079,422,610	-	11,233,247,376

Other components of receivables such as rental receivables and others are also evaluated by the Group for impairment and assessed that no ECL should be provided. A significant portion of the Group's rental receivables are from Megaworld, wherein the impairment of receivables is assessed using the latter's ability to pay [see Note 29.2(c)]. The remaining rental receivables are secured to the extent of advance rental and rental deposit received from the lessees, which are on average equivalent to six months.

Some of the unimpaired trade receivables and other receivables, which are mostly related to real estate sales, are past due as at the end of the reporting period. The trade receivables that are past due but not impaired are as follows:

(Amounts in PHP)	**2025**	2024
Not more than three months	**407,112,189**	267,859,203
More than three months but not more than six months	**522,837,348**	381,995,646
More than six months but not more than one year	**751,324,807**	458,683,713
More than one year	**290,480,861**	195,219,873
	1,971,755,205	1,303,758,435

(c) *Advances to Related Parties and Rent Receivable and Management Fee Receivable from Related Parties*

ECL for receivables from related parties, including advances, rent and management fee receivables, are measured and recognized using the liquidity approach. Management determines possible impairment based on the related parties' ability to repay the advances upon demand at the reporting date taking into consideration the historical defaults from the related parties.

The Group does not consider any significant risks in the advances to other related parties with financial difficulty since Megaworld, whose credit risk for liquid funds is considered negligible, have committed to financially support these related parties as part of AGI and its long-term corporate strategy. As of December 31, 2025 and 2024, the aggregate impairment allowance on balances from Megaworld and other related parties is identified to be not material.

The table below shows the credit quality by class of financial assets and contract assets as of December 31, 2025 and 2024.

(Amounts in PHP)	**Neither Past Due nor Specifically Impaired**			**Past Due but Not Impaired**	**Total**
	High Grade	**Standard Grade**	**Substandard Grade**		
2025					
Cash and cash equivalents	2,282,600,494	-	-	-	2,282,600,494
Trade and other receivables	-	9,155,653,060	-	1,971,755,205	11,127,408,265
Contract assets	-	2,471,259,774	-	-	2,471,259,774
Advances to related parties	-	5,856,815,689	-	-	5,856,815,689
	2,282,600,494	**17,483,728,523**	**-**	**1,971,755,205**	**21,738,084,222**
2024					
Cash and cash equivalents	2,863,878,581	-	-	-	2,863,878,581
Trade and other receivables	-	8,471,905,270	-	1,303,758,435	9,775,663,705
Contract assets	-	3,266,999,518	-	-	3,266,999,518
Advances to related parties	-	5,965,760,162	-	-	5,965,760,162
	2,863,878,581	17,704,664,950	-	1,303,758,435	21,872,301,966

The Group uses an internal credit rating concept based on the counterparties' overall credit worthiness as follows:

High Grade – Rating given to counterparties who have very strong capacity to meet their obligations.

Standard Grade – Rating given to counterparties whose outstanding obligation is within the acceptable age of group.

Substandard Grade – Rating given counterparties whose outstanding obligation is nearing to be past due or impaired.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all the above financial assets that are not impaired for each of the reporting dates are of good credit quality, including those that are past due.

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 basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for 6-month and one-year periods 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. 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 at December 31, 2025 and 2024, the Group's financial liabilities have contractual maturities which are presented below.

(Amounts in PHP)	**Within One Year**	**One to Five Year**	**More than Five Years**	**Total**
2025				
Interest-bearing loans and borrowings	227,112,500	263,556,250	-	490,668,750
Trade and other payables	2,223,165,768	-	-	2,223,165,768
Advances from related parties	6,575,514,789	-	-	6,575,514,789
Other current liabilities	1,634,875,885	-	-	1,634,875,885
	10,660,668,942	**263,556,250**	**-**	**10,924,225,192**
2024				
Interest-bearing loans and borrowings	252,191,125	494,735,250	-	746,926,375
Trade and other payables	2,346,750,466	-	-	2,346,750,466
Advances from related parties	6,591,745,091	-	-	6,591,745,091
Other current liabilities	1,197,073,685	-	-	1,197,073,685
	10,387,760,367	494,735,250	-	10,882,495,617

The contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of each reporting period.

30. CATEGORIES AND OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

30.1 Carrying Amounts and Fair Values by Category

The carrying amounts and fair values of the categories of financial assets and financial liabilities presented in the consolidated statements of financial position are shown below.

(Amounts in PHP)	Notes	**2025** Carrying Amounts	**2025** Fair Values	2024 Carrying Amounts	2024 Fair Values
Financial asset					
Financial assets at amortized cost					
Cash and cash equivalents	5	**2,282,600,494**	**2,282,600,494**	2,863,878,581	2,863,878,581
Trade and other receivables - net	6	**11,127,408,265**	**11,278,803,218**	9,775,663,705	9,969,197,903
Contract assets	19.2	**2,471,259,774**	**2,471,259,774**	3,266,999,518	3,266,999,518
Advances to related parties	25.1	**5,856,815,689**	**5,856,815,689**	5,965,760,162	5,965,760,162
		21,738,084,222	**21,889,479,175**	21,872,301,966	22,065,836,164
Financial assets at FVOCI	8	**922,194,000**	**922,194,000**	1,013,400,000	1,013,400,000
		22,660,278,222	**22,811,673,175**	22,885,701,966	23,079,236,164
Financial Liabilities at amortized cost					
Interest-bearing loans and borrowings	14	**450,000,000**	**363,266,867**	650,000,000	559,048,102
Trade and other payables	15	**2,223,165,768**	**2,223,165,768**	2,346,750,466	2,346,750,466
Advances from related parties	25.1	**6,421,831,110**	**6,421,831,110**	6,394,850,556	6,394,850,556
Other current liabilities	18	**1,634,875,885**	**1,634,875,885**	1,197,073,685	1,197,073,685
		10,729,872,763	**10,643,139,630**	10,588,674,707	10,497,722,809

Management considers that the fair values of the above enumerated financial assets and financial liabilities measured at amortized costs approximate their carrying values either because these instruments are short-term in nature or the effect of discounting for those with maturities of more than one year is not material (except for interest-bearing loans and borrowings).

A description of the Group's risk management objectives and policies for financial instruments is provided in Note 29.

30.2 Offsetting of Financial Assets and Financial Liabilities

The following financial assets with net amounts presented in the consolidated statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

(Amounts in PHP)	**Gross amounts Recognized in the consolidated statement of financial position** Financial assets	Financial liabilities set-off	**Net amount presented in the consolidated statement of financial position**	**Related amounts not set-off in the consolidated statement of financial position** Financial instruments	Collateral received	**Net amount**
December 31, 2025						
Advances to related parties	**6,069,309,578**	**(212,493,889)**	**5,856,815,689**	**-**	**-**	**5,856,815,689**
December 31, 2024						
Advances to related parties	5,965,760,162	-	5,965,760,162	-	-	5,965,760,162

The following financial liabilities with net amounts presented in the consolidated statements of financial position are subject to offsetting, enforceable master netting arrangements and similar agreements:

	Gross amounts recognized in the consolidated statement of financial position		Net amount presented in the consolidated statement of financial position	Related amounts not set-off in the consolidated statement of financial position		
(Amounts in PHP)	Financial liabilities	Financial assets set-off		Financial instruments	Collateral provided	Net amount
December 31, 2025						
Interest-bearing loans and borrowings	**450,000,000**	**-**	**450,000,000**	**(121,671,238)**	**-**	**328,328,762**
Advances from related parties	**6,634,324,999**	**(212,493,889)**	**6,421,831,110**	**-**	**-**	**6,421,831,110**
	7,084,324,999	**(212,493,889)**	**6,871,831,110**	**(121,671,238)**	**-**	**6,750,159,872**
December 31, 2024						
Interest-bearing loans and borrowings	650,000,000	-	650,000,000	(215,741,362)	-	434,258,638
Advances from related parties	6,394,850,556	-	6,394,850,556	-	(15,045)	6,394,835,511
	7,044,850,556	-	7,044,850,556	(215,741,362)	(15,045)	6,829,094,149

For financial assets and financial liabilities subject to enforceable master netting agreements or similar arrangements, each agreement between the Group and counterparties (i.e., related parties including subsidiaries and associates) allows for net settlement of the relevant financial assets and financial liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and financial liabilities will be settled on a gross basis, however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

The Group has cash in a local bank to which it has an outstanding loan (see Note 14). In case of the Group's default on loan amortization, cash in bank amounting to P121.7 million and P215.7 million can be applied against its outstanding loans from the bank amounting to P450.0 million and P650.0 million as of December 31, 2025 and 2024, respectively.

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 is 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., 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 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.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

31.2 Financial Instruments Measured at Fair Value

As of December 31, 2025 and 2024, only the equity securities classified as financial assets at FVOCI in the consolidated statements of financial position is classified as Level 1. These securities were valued based on their market prices quoted in the PSE at the end of each reporting period (see Note 8). There were no other financial assets measured at fair value on these dates. Further, the Group has no financial liabilities measured at fair value as of December 31, 2025 and 2024. There were no transfers between Levels 1 and 2 in both years.

31.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

Management considers that due to the short duration of these financial assets (except long-term receivables) and financial liabilities (except long-term interest-bearing loans) measured at amortized cost, their carrying amounts as of December 31, 2025 and 2024 approximate their fair value. Except for cash and cash equivalents which are classified under Level 1, all other financial instruments are classified under Level 3 wherein inputs are not based on observable data.

The fair values of the financial assets and financial liabilities included in Level 3 which are not traded in an active market is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking into account the related credit risk of counterparties or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

31.4 Fair Value Measurement of Non-Financial Assets

The table below shows the Levels within the hierarchy of investment properties for which fair value is disclosed as of December 31, 2025 and 2024.

(Amounts in PHP)	Level 1	Level 2	Level 3	Total
December 31, 2025				
Land	-	-	40,828,184	40,828,184
Buildings and office/commercial units	-	-	4,049,963,019	4,049,963,019
	-	**-**	**4,090,791,203**	**4,090,791,203**
December 31, 2024				
Land				
Buildings and office/commercial units	-	-	40,828,184	40,828,184
	-	-	4,110,981,492	4,110,981,492
	-	-	4,151,809,676	4,151,809,676

The fair value of the Group's investment properties earning rental income was determined through discounted cash flows valuation technique done by a professionally qualified independent appraiser for one of the properties, and by management for the rest of the other investment properties. The Group uses assumptions that are mainly based on market conditions existing at 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 based on current market rentals for similar properties in the same location and condition.

As at December 31, 2025 and 2024, the fair values of the Group's investment properties are classified within Level 3 of the fair value hierarchy. The Group determines the fair values using market-based approach where prices of comparable properties are adequate for specific market factors such as location and condition of the property. On the other hand, if the observable recent prices of the reference properties were not adjusted, the fair value is included in Level 2. The most significant input into this valuation approach is the price per square meter; hence, the higher the price per square meter, the higher the fair value. 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 objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Capital components for cost of capital purposes include loans and borrowings, preferred stock, common equity and retained earnings. The Group may issue new shares and may prepay some of its interest-bearing loans. Further, it intends to allocate its earnings and available cash in the acquisition and development of new/existing properties to ensure continuous business activities.

The Group monitors its capital gearing by measuring the ratio of interest-bearing loans and borrowings to total capital. As of December 31, the Group's ratio of interest-bearing loans and borrowings to equity is as follows:

(Amounts in PHP)	**2025**	2024
Interest-bearing loans and borrowings	**450,000,000**	650,000,000
Total equity	**32,033,451,155**	31,331,871,195
	0.01 : 1.00	0.02 : 1.00

The Group has complied with its covenant obligations, including maintaining the required debt-to-equity ratio for both years (see Note 14).

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

Presented below is the reconciliation of the Group's liabilities arising from financing activities, which includes both cash and non-cash changes.

(Amounts in PHP)	**Interest-bearing Loans and Borrowings** (See Note 14)	**Advances from Related Parties** (See Note 25.1)	**Interest Payable** (See Note 15)	**Total**
Balance as of January 1, 2025	650,000,000	6,394,850,556	8,615,678	7,053,466,234
Cash flows from financing activities:				
Repayment of loans and borrowings	(200,000,000)	(74,457,713)	(46,016,125)	(320,473,838)
Additional advances from related parties	-	1,814,066	-	1,814,066
Non-cash financing activities:				
Offsetting	-	(212,493,889)	-	(212,493,889)
Accrual of interest	-	312,118,090	42,461,447	354,579,537
Balance as of December 31, 2025	**450,000,000**	**6,421,831,110**	**5,061,000**	**6,876,892,110**
Balance as of January 1, 2024	850,000,000	6,061,736,667	11,939,667	6,923,676,334
Cash flows from financing activity –				
Repayment of loans and borrowings	(200,000,000)	(72,427,181)	(69,072,625)	(341,499,806)
Non-cash financing activity –				
Accrual of interest	-	405,541,070	65,748,636	471,289,706
Balance as of December 31, 2024	650,000,000	6,394,850,556	8,615,678	7,053,466,234
Balance as of January 1, 2023	1,000,000,000	5,764,677,182	10,948,000	6,775,625,182
Cash flows from financing activities:				
Repayment of loans and borrowings	(150,000,000)	(73,278,886)	(79,388,750)	(302,667,636)
Additional advances from related parties	-	5,759	-	5,759
Non-cash financing activity –				
Accrual of interest	-	370,332,612	80,380,417	450,713,029
Balance as of December 31, 2023	850,000,000	6,061,736,667	11,939,667	6,923,676,334

34. SUPPLEMENTAL INFORMATION ON NON-CASH INVESTING ACTIVITIES

In 2025, the Group sold certain investment property with a carrying amount of P4.3 million. The Group recognized a gain of P68.0 million, which was presented as part of Gain on asset disposal under Other Income in the 2025 consolidated statement of comprehensive income. The P72.2 million proceeds from the sale is still receivable as of December 31, 2025 and is presented as part of Others under Trade and Other Receivables in the 2025 consolidated statement of financial position (see Notes 6 and 13). There were no similar transactions in 2024 and 2023.

In 2023, additional right-of-use assets amounting to P42.7 million was recognized (see Note 11). No lease liabilities were recognized since the Group has been granted with lease credits amounting to P106.1 million, which was presented as part of Other Income in the 2023 consolidated statement of comprehensive income (see Notes 21 and 25). The outstanding balance of lease credits amounting to P63.4 million is presented as part of Prepayments and Other Current Assets in the 2023 consolidated statement of financial position.

P&A Grant Thornton

Report of Independent Auditors to Accompany Supplementary Information Required by the Securities and Exchange Commission Filed Separately from the Basic Consolidated Financial Statements

Punongbayan & Araullo
20th Floor, Tower 1
The Enterprise Center
6766 Ayala Avenue
1200 Makati City
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The Board of Directors and Stockholders
Empire East Land Holdings, Inc. and Subsidiaries
(A Subsidiary of Megaworld Corporation)
2nd Floor, The Paddington Place
632 Shaw Boulevard, Barangay Highway Hills
Mandaluyong City, 1552 Metro Manila

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Empire East Land Holdings, Inc. and Subsidiaries (the Group) for the year ended December 31, 2025, on which we have rendered our report dated February 23, 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 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)

February 23, 2026

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
List of Supplementary Information
December 31, 2025

**Information therein are based on the separate financial statements of the Parent Company*

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
Schedule A - Financial Assets
December 31, 2025

Name of issuing entity and association of each issue	*Number of shares or principal amount of bonds or notes*	*Amount shown on the balance sheet*	*Valued based on the market quotation at balance sheet date*	*Income received and accrued*
Financial Asset at Fair Value Through OCI				
Alliance Global Group, Inc.	**112,600,000**	**P 922,194,000**	**P 922,194,000**	**P 11,260,000**

EMPIRE EAST LAND HOLDINGS, 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

Name and designation of debtor	Balance at Beginning of period	Additions/ Transfer 2025	Deductions: Amounts collected	Deductions: Amounts written off	Ending Balance: Current	Ending Balance: Not current	Balance at end of period
Advances to Officers and Employees:*							
Dizon, Don Tipper B.	P 336,892	P -	(P 336,892)	P -	-	P -	-
Edaño, Dennis E.	-	1,223,000	(411,336)	-	811,664	-	811,664
Jacobe, Elmer Y.	406,634	-	(76,274)	-	330,360	-	330,360
Llaga, Jhoanna Lyndelou T.	823,197	-	(187,708)	-	635,489	-	635,489
Manansala, Kim Camille B.	405,309	-	(118,090)	-	287,219	-	287,219
Ramos, Franemil T.	-	1,029,785	(256,888)	-	772,897	-	772,897
	-	1,289,000	(620,951)		668,049		668,049
Sawali, Fernando D.	588,751	-	(588,751)	-	-	-	-
Sioson-Bumatay, Celeste Z.	608,233	-	-	-	608,233	-	608,233
Sison, Maylene N.	290,477	-	(83,438)	-	207,039	-	207,039
Tuason, Cosca Camille M.	290,477	-	(83,438)	-	207,039	-	207,039
Victorioso, Lino P. Jr.	370,178	-	(105,488)	-	264,690	-	264,690
	P 4,120,148	**P 3,541,785**	**(P 2,869,254)**	**P -**	**P 4,792,679**	**P -**	**P 4,792,679**

**The amount in the schedule forms part of the Trade and other receivables - net in the statements of financial position.*

EMPIRE EAST LAND HOLDINGS, 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

Name and Designation of debtor		Balance of beginning period		Balance at the end of period
Eastwood Properties Holdings, Inc.	P	861,523,289	**P**	**861,523,289**
Empire East Communities, Inc.		233,684,714		**233,688,030**
Valle Verde Properties, Inc.		65,169,673		**65,203,605**
Sonoma Premier Land, Inc.		23,248,083		**23,251,839**
Sherman Oak Holdings, Inc.		21,176,934		**21,180,691**
Laguna Bel-Air Science School, Inc.		3,842,710		**4,950,620**
20th Century Nylon Shirt Co., Inc.		2,077,635		**2,224,226**
TOTAL	P	1,210,723,038	**P**	**1,212,022,300**

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
Schedule D - Long-Term Debt
December 31, 2025

Title of Issue and Type of Obligation	Amount Authorized by Indenture	Amount Shown Under Caption"Current Portion of Long-term Debt" in Related Statement of Financial Position	Amount Shown Under Caption"Long-term Debt" in related Statement of Financial Position
Unsecured floating-interest Loan	P 1,520,000,000	P 200,000,000	P 250,000,000

Unsecured floating-interest Loan are payable up to 2028 and bears floating interest rates subject to quarterly repricing

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
Schedule E - Indebtedness to Related Parties (Other than Affiliates)
December 31, 2025

Name of Related Party	Balance at Beginning of Year		Balance at End of Year	
Megaworld Corporation	P	5,737,525,504	**P**	**5,812,936,324**
Gilmore Property Marketing Association		374,343,362		**369,099,030**
McKester Piknik International Ltd.		229,000,000		**184,000,000**
Others		53,981,690		**55,795,756**
	P	6,394,850,556	**P**	**6,421,831,110**

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
Schedule G - Capital Stock
December 31, 2025

				Number of Shares Held by		
Title of Issue	**Number of Shares Authorized**	**Number of Shares Issued and Outstanding as Shown Under the Related Statement of Financial Position Caption**	**Number of Shares Reserved for Options, Warrants, Conversion and Other Rights**	**Related Parties**	**Directors, Officers and Employees**	**Others**
Preferred shares	**2,000,000,000**	**-**	**-**	**-**	**-**	**-**
Common shares	**31,495,200,000**	**14,676,199,167**	**-**	**11,994,426,438**	**24,289,674**	**2,657,483,055**

** Number of shares issued and outstanding net of 127,256,071 Treasury Shares.*

EMPIRE EAST LAND HOLDINGS, INC.
(A Subsidiary of Megaworld Corporation)
2nd Floor, The Paddington Place 632 Shaw Boulevard, Barangay Highway Hills Mandaluyong City, 1552 Metro Manila
Reconciliation of Retained Earnings Available for Dividend Declaration
For the Year Ended December 31, 2025

Unappropriated Retained Earnings at Beginning of Year		P	8,965,360,681
Add: **Category A: Items that are directly credited to Unappropriated Retained Earnings**			
Reversal of Retained Earning Appropriation/s	P -		
Effect of restatements or prior-period adjustments	-		
Others	-		-
Less: **Category B: Items that are directly debited to Unappropriated Retained Earnings**			
Dividend declaration during the reporting period	-		
Retained Earnings appropriated during the reporting period	-		
Effect of restatements or prior-period adjustments	-		
Others	-		-
Unappropriated Retained Earnings at Beginning of Year, as adjusted			8,965,360,681
Add/Less: Net Income (Loss) for the Current Year			799,105,804
Less: **Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)**			
Equity in net income of associate/joint venture, net of dividends declared	-		
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-		
Unrealized fair value adjustment (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-		
Unrealized fair value gain of investment property	-		
Other unrealized gains or adjustments to the retained earnings as result of certain transactions accounted for under the PFRS	-		
Sub-total			-
Add: **Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)**			
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-		
Realized fair value adjustment (mark-to-market gains) of financial instruments at FVTPL	-		
Realized fair value gain of investment property	-		
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS	-		
Sub-total			-
Add: **Category C.3: Unrealized income recognized in profit or loss in prior periods but reversed in the current reporting period (net of tax)**			
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-		
Reversal of previously recorded fair value adjustment (mark-to-market gains) of financial instrument at FVTPL	-		
Reversal of previously recorded fair value gain of investment property	-		
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded	-		
Sub-total			-

Balance carried forward

Adjusted Net Income/Loss		P	799,105,804

Balance brought forward

Adjusted Net Income/Loss		P	799,105,804
Add: Category D: Non-actual lossess recognized in profit or loss during the reporting period (net of tax)			
Depreciation on revaluation increment (after tax)	P -		
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	(62,745,503)		
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	(4,628,510)		
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-		
Others	-		
Sub-total			(67,374,013)
Unappropriated Retained Earnings Available for Dividend Distribution at End of Year		**P**	**9,697,092,472**

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
Summary of Application of SRO Proceeds
December 31, 2025

	BASED ON IPO PROSPECTUS	BASED ON ACTUAL
SRO Proceeds	**P 2,695,239,834**	**P 2,695,239,834**
Less: SRO related expenses	**5,239,834**	**5,239,834**
Net proceeds	**2,690,000,000**	**2,690,000,000**
Less: Disbursements		
Construction Site Development	**1,800,000,000**	**1,885,000,000**
Pioneer Woodlands	800,000,000	350,000,000
San Lorenzo Place	700,000,000	532,081,376
The Rochester	300,000,000	275,267,709
Kasara Urban Resort Residences	-	140,479,357
The Sonoma	-	70,000,000
Little Baguio Terraces	-	314,520,643
South Science Park	-	202,650,915
Landbanking	**890,000,000**	**805,000,000**
Total Disbursements	**2,690,000,000**	**2,690,000,000**
Remaining Balance of Proceeds, as at December 31, 2025		**P -**

Supplementary information on the Summary of Application of SRO Proceeds –

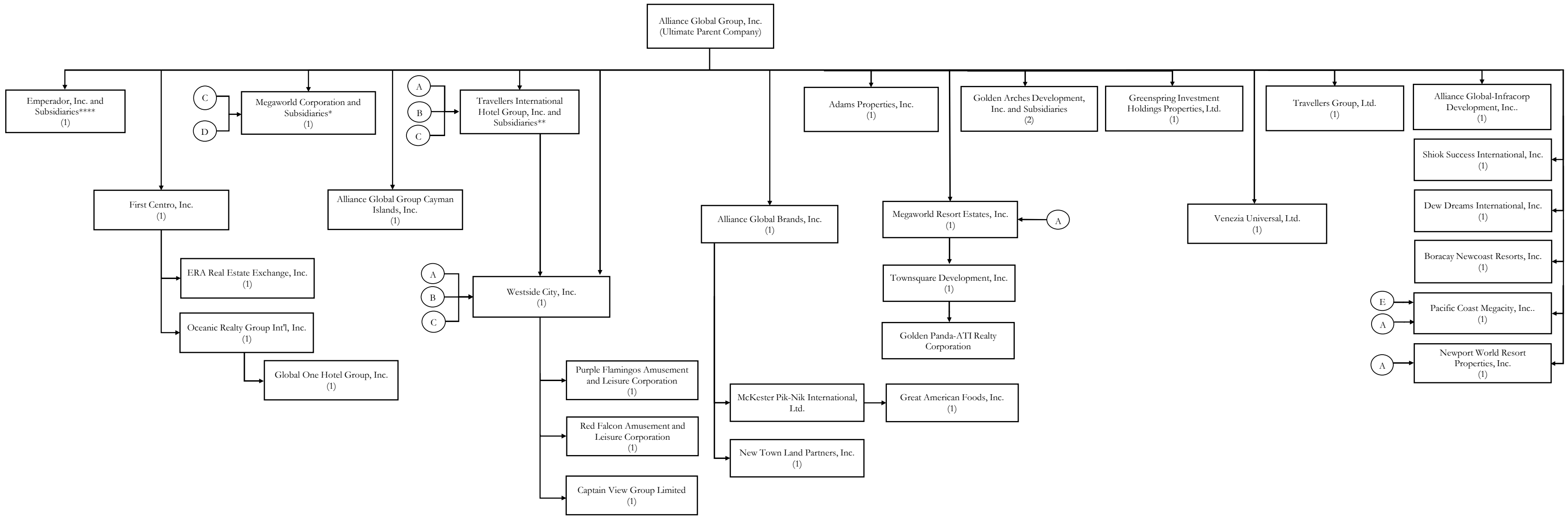
The proceeds were subsequently reallocated and transferred to fund the urgent construction of other projects that have exceeded their respective allocations.

EMPIRE EAST LAND HOLDINGS, 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)

		2025		2024
Total Audit Fees	**P**	**4,142,500**	P	3,918,000
Non-audit service fees:				
Other assurance service		**-**		-
Tax service		**-**		-
All other service		**-**		-
		-		-
Total Audit and Non-audit Fees	**P**	**4,142,500**	P	3,918,000

Audit and Non-audit fees of other related entities		2025		2024
Audit fees	**P**	**-**	P	-
Non-audit service fees:				
Other assurance service		**-**		-
Tax service		**-**		-
All other service		**-**		-
Total Audit and Non-audit Fees of other related entities	**P**	**-**	P	-

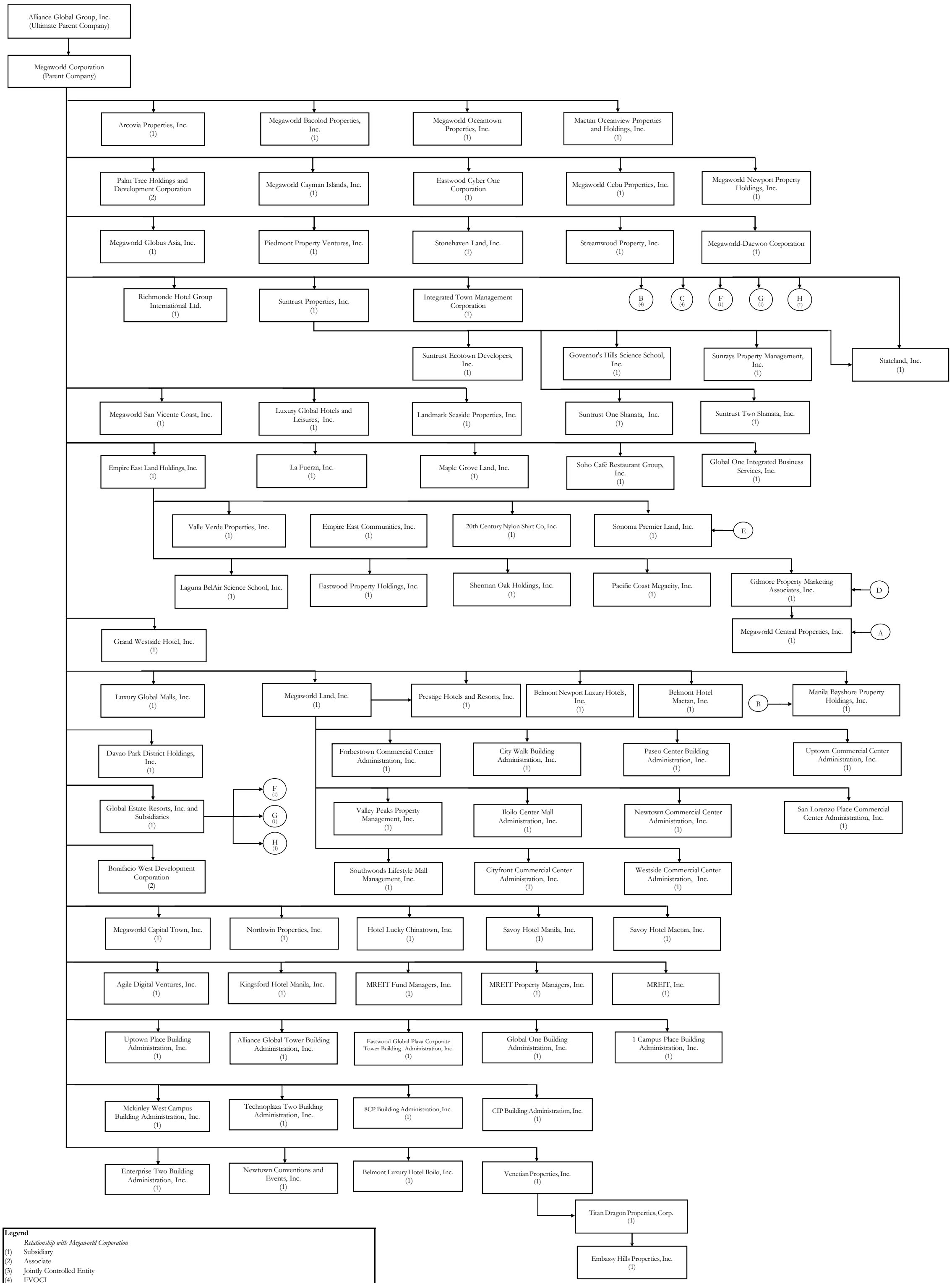
ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
Map Showing the Relationship Between Alliance Global Group, Inc.
and its Related Parties
December 31, 2025



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



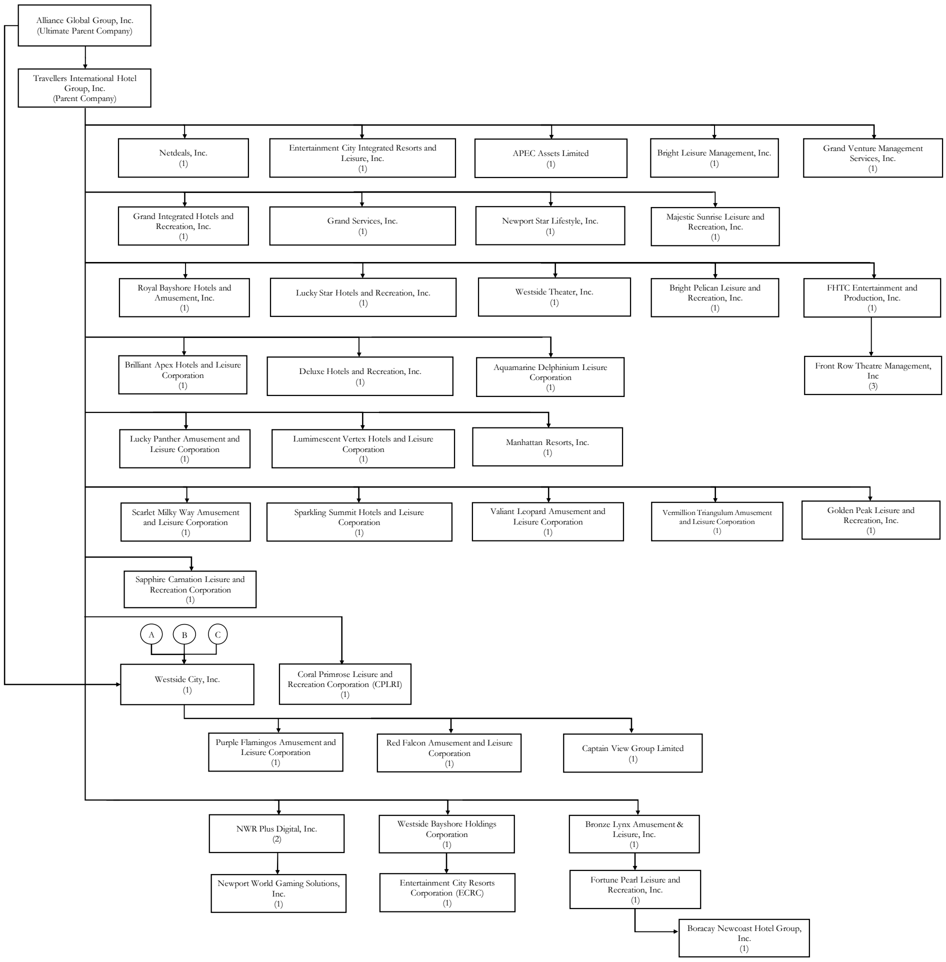
Legend

Relationship with Megaworld Corporation

(1) Subsidiary
(2) Associate
(3) Jointly Controlled Entity
(4) FVOCI

A Megaworld Corporation
B Travellers International Hotel Group, Inc.
C Westside City Resorts World, Inc.
D Townsquare Development, Inc.
E First Centro, Inc.
F Twin Lakes Corporation
G Megaworld Global Estates, Inc.
H Southwoods Mall, Inc.
I Empire East Land Holdings, Inc.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
Map Showing the Relationship Between Alliance Global Group, Inc.
and Travellers Group
December 31, 2025

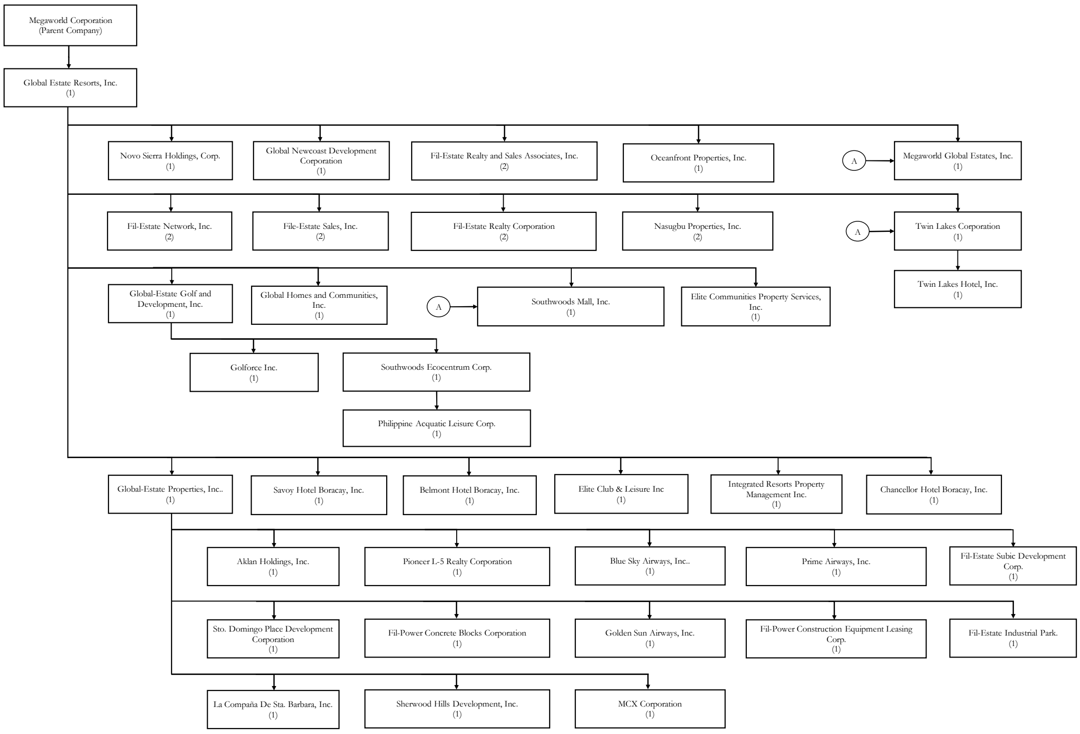


Legend

Relationship with Travellers International Hotel Group, Inc.

(1)	Subsidiary		
(2)	Associate		
(3)	Jointly Controlled Entity		
(4)	FVOCI		
A	MegaworldCorporation	J	Twin Lakes Corporation
B	Adams Properties, Inc.	K	Megaworld Global Estates, Inc.
C	First Centro, Inc.	L	Megaworld Central Properties, Inc.
D	Newtown Land Partners, Inc.	M	Shiok Success International, Ltd.
E	Travellers International Hotel Group, Inc.	N	Dew Dreams International, Ltd.
F	Manila Bayshore Property Holdings, Inc.	O	Southwoods Mall, Inc.
G	Westside City, Inc.	P	Sonoma Premier Land, Inc.
H	Townsquare Development, Inc.	Q	Gilmore Property Marketing Associates, Inc.
I	Megaworld Resort Estates, Inc.	R	Emperador Inc.
S	Empire East Land Holdings, Inc.	T	Suntrust 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

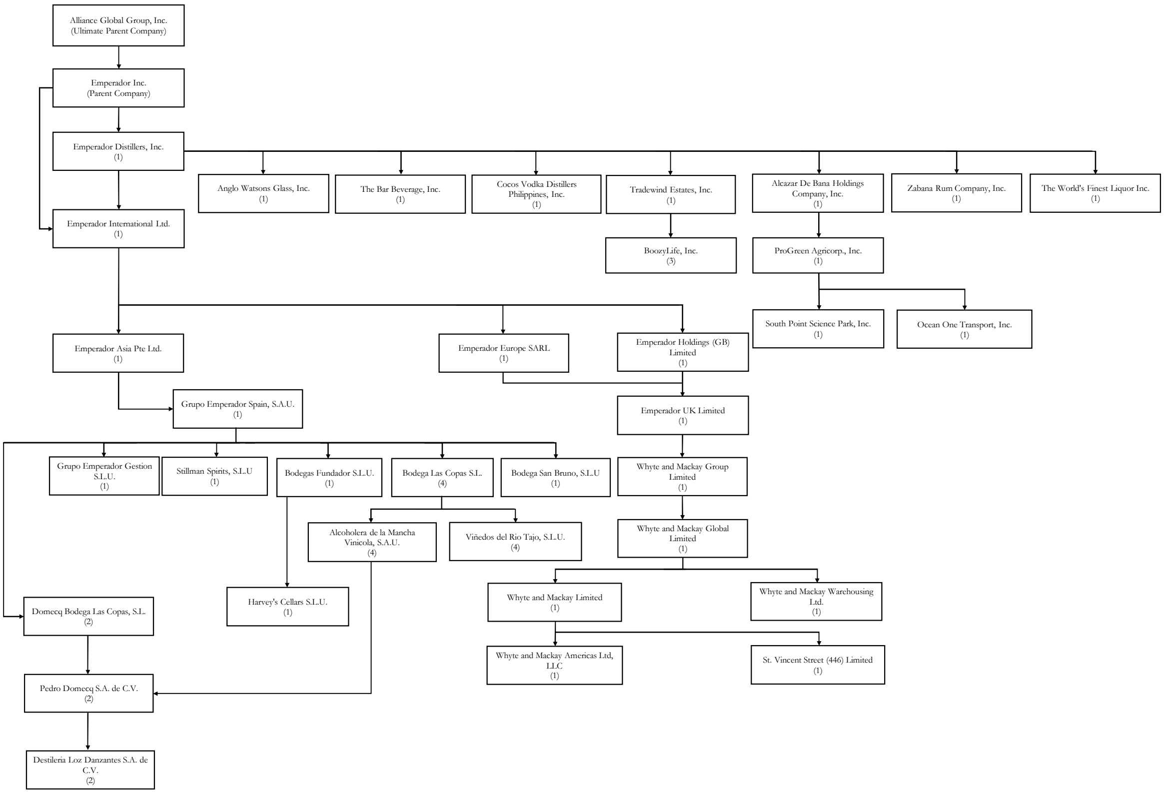


Legend

(1) Subsidiary
(2) Associate
(3) Jointly Controlled Entity
(4) FVOCI

A	Megaworld Corporation	J	Twin Lakes Corporation
B	Adams Properties, Inc.	K	Megaworld Global Estates, Inc.
C	First Centro, Inc.	L	Megaworld Central Properties, Inc.
D	Newtown Land Partners, Inc.	M	Shiok Success International, Ltd.
E	Travellers International Hotel Group, Inc.	N	Dew Dreams International, Ltd.
F	Manila Bayshore Property Holdings, Inc.	O	Southwoods Mall, Inc.
G	Westside City, Inc.	P	Sonoma Premier Land, Inc.
H	Townsquare Development, Inc.	Q	Gilmore Property Marketing Associates, Inc.
I	Megaworld Resort Estates, Inc.	R	Emperador Inc.
S	Empire East Land Holdings, Inc.	T	Suntrust Home Developers, Inc.

ALLIANCE GLOBAL GROUP, INC. AND SUBSIDIARIES
Map Showing the Relationship Between Alliance Global Group, Inc.
and Emperador Group
December 31, 2025



Legend
Relationship with Emperador Inc.
(1) Subsidiary (100%)
(2) Subsidiary (50%)
(3) Subsidiary (87%)
(4) Jointly Controlled Entity

P&A
Grant Thornton

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
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T +63 2 8988 2288

The Board of Directors and Stockholders
Empire East Land Holdings, Inc.
(A Subsidiary of Megaworld Corporation)
2nd Floor, The Paddington Place
632 Shaw Boulevard, Barangay Highway Hills
Mandaluyong City, Metro Manila

We have audited, in accordance with Philippine Standards on Auditing, the consolidated financial statements of Empire East Land Holdings, Inc. and Subsidiaries (the Group) for the years ended December 31, 2025 and 2024, on which we have rendered our report dated February 23, 2026. Our audits were made for the purpose of forming an opinion on the basic consolidated financial statements taken as a whole. The Supplementary Schedule on Financial Soundness Indicators, including their definitions, formulas, calculation, and their appropriateness or usefulness to the intended users, is 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 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)

February 23, 2026

EMPIRE EAST LAND HOLDINGS, 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			2.76	Total Current Assets divided by Total Current Liabilities			2.79
	Total Current Assets	P	42,459,696,542		Total Current Assets	P	42,563,721,365	
	Divided by: Total Current Liabilities		15,387,414,423		Divided by: Total Current Liabilities		15,229,768,391	
			2.76				**2.79**	
Acid test ratio	Quick assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities			0.90	Quick assets (Total Current Assets less Inventories and Other Current Assets) divided by Total Current Liabilities			0.96
	Total Current Assets	P	42,459,696,542		Total Current Assets	P	42,563,721,365	
	Less:				Less:			
	Inventories		21,397,204,626		Inventories		20,922,248,973	
	Other Current Assets		7,200,086,848		Other Current Assets		7,330,807,549	
	Quick Assets		13,862,405,068		Quick Assets		14,616,562,386	
	Divided by: Total Current Liabilities		15,387,414,423		Divided by: Total Current Liabilities		15,229,768,391	
			0.90				**0.96**	
Solvency ratio	Total Assets divided by Total Liabilities			2.79	Total Assets divided by Total Liabilities			2.73
	Total Assets	P	49,929,661,431		Total Assets	P	49,425,185,917	
	Divided by: Total Liabilities		17,896,210,276		Divided by: Total Liabilities		18,093,314,722	
			2.79				**2.73**	
Debt-to-equity ratio	Total Liabilities divided by Total Equity			0.56	Total Liabilities divided by Total Equity			0.58
	Total Liabilities	P	17,896,210,276		Total Liabilities	P	18,093,314,722	
	Divided by: Total Equity		32,033,451,155		Divided by: Total Equity		31,331,871,195	
			0.56				0.58	
Assets-to-equity ratio	Total Assets divided by Total Equity			1.56	Total Assets divided by Total Equity			1.58
	Total Assets	P	49,929,661,431		Total Assets	P	49,425,185,917	
	Divided by: Total Equity		32,033,451,155		Divided by: Total Equity		31,331,871,195	
			1.56				1.58	
Interest rate coverage ratio	Earnings before interest and taxes (EBIT) divided by Interest expense			3.50	Earnings before interest and taxes (EBIT) divided by Interest expense			2.85
	EBIT:				EBIT:			
	Net Profit	P	796,499,166		Net Profit	P	680,281,074	
	Tax expense		119,632,868		Tax Income		207,804,930	
	Finance Cost*		366,921,621		Finance Cost*		479,282,302	
			1,283,053,655				1,367,368,306	
	Divided by: Interest expense		366,921,621		Divided by: Interest expense		479,282,302	
			3.50				2.85	
Return on equity	Net Profit divided by Average Total Equity			0.03	Net Profit divided by Average Total Equity			0.02
	Net Profit	P	796,499,166		Net Profit	P	680,281,074	
	Divided by: Average Total Equity		31,682,661,175		Divided by: Average Total Equity		31,061,640,748	
			0.03				0.02	
Return on assets	Net Profit divided by Average Total Assets			0.02	Net Profit divided by Average Total Assets			0.01
	Net Profit	P	796,499,166		Net Profit	P	680,281,074	
	Dividen by: Average Total Assets		49,677,423,674		Dividen by: Average Total Assets		49,462,160,106	
			0.02				0.01	
Net profit margin	Net Profit divided by Total Revenue			0.15	Net Profit divided by Total Revenue			0.14
	Net Profit	P	796,499,166		Net Profit	P	680,281,074	
	Divided by: Total Revenue		5,396,823,579		Divided by: Total Revenue		4,950,793,738	
			0.15				0.14	

**The amount of finance costs excludes net interest expense on post-employment defined benefit obligation.*

ANNEX "G"

INTERIM CONSOLIDATED FINANCIAL STATEMENT
AS OF 31 MARCH 2026

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

   Mar 31, 2026

2. SEC Identification Number

   AS094-006430

3. BIR Tax Identification No.

   003-942-108

4. Exact name of issuer as specified in its charter

   EMPIRE EAST LAND HOLDINGS, INC.

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

   Metro Manila, Philippines

6. Industry Classification Code(SEC Use Only)

7. Address of principal office

   2F The Paddington Place 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City

   Postal Code

   1552

8. Issuer's telephone number, including area code

   (632) 88678351/85544800

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

   N/A

10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Common	14,676,199,167

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

   ☑ Yes ☐ No

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

   The shares of common stock of the Company are listed on the Philippine Stock Exchange.

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC 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 that the registrant was required to file such reports)

☑ Yes ☐ No

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

☑ Yes ☐ No

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.

Empire East

Empire East Land Holdings, Inc.
ELI

PSE Disclosure Form 17-2 - Quarterly Report
References: SRC Rule 17 and
Sections 17.2 and 17.8 of the Revised Disclosure Rules

For the period ended	Mar 31, 2026
Currency (indicate units, if applicable)	Php (In Thousands)

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Mar 31, 2026	Dec 31, 2025
Current Assets	43,419,411	42,459,697
Total Assets	50,726,918	49,929,661
Current Liabilities	15,912,588	15,387,414
Total Liabilities	18,343,594	17,896,210
Retained Earnings/(Deficit)	10,644,233	10,381,674
Stockholders' Equity	32,383,324	32,033,451
Stockholders' Equity - Parent	29,614,835	29,263,323
Book Value per Share	2.02	1.99

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	1,496,825	1,326,897	1,496,825	1,326,897
Gross Expense	1,170,539	1,088,625	1,170,539	1,088,625
Non-Operating Income	103,706	219,110	103,706	219,110
Non-Operating Expense	77,946	114,746	77,946	114,746
Income/(Loss) Before Tax	352,046	342,636	352,046	342,636
Income Tax Expense	91,127	88,426	91,127	88,426
Net Income/(Loss) After Tax	260,919	254,210	260,919	254,210
Net Income Attributable to Parent Equity Holder	262,558	255,960	262,558	255,960
Earnings/(Loss) Per Share (Basic)	-	-	0.01	0.01
Earnings/(Loss) Per Share (Diluted)	-	-	0.01	0.01

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	0.05	0.04
Earnings/(Loss) Per Share (Diluted)	0.05	0.04

Other Relevant Information
None

Filed on behalf by:

Name	Krizelle Marie Poblacion
Designation	Legal Counsel

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 **31 March 2026**

2. Commission Identification Number: **AS094-006430**

3. BIR Tax Identification No. **003-942-108**

4. **EMPIRE EAST LAND HOLDINGS, INC.**
   Exact name of issuer as specified in its charter

5. **Metro Manila, Philippines**
   Province, Country or other jurisdiction of incorporation or organization

6. (SEC Use Only)
   Industry Classification Code

7. **2F The Paddington Place**
   632 Shaw Boulevard, Barangay Highway Hills
   1552 Mandaluyong City
   Address of issuer's principal office

8. **(632) 88678351/85544800**
   Issuer's telephone number, including area code

9. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of Class	Number of Shares of Common Stock Outstanding
Common	**14,676,199,167**

10. Are any or all of the securities listed on a Stock Exchange?

    Yes [X] **No [ ]**

    If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

    The shares of common stock of the Company are listed on the Philippine Stock Exchange.

11. Indicate by check mark whether the issuer:

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

    Yes [X] No [ ]

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

Yes [X] No [ ]

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Interim financial statements are attached as Exhibits 1 to 6 hereof and incorporated herein by reference:

Exhibit 1 – Consolidated Statements of Financial Position as of December 31, 2025 and March 31, 2026
Exhibit 2 - Consolidated Statements of Comprehensive Income as of March 31, 2025 and March 31, 2026
Exhibit 3 - Comparative Statements of Changes in Equity as of March 31, 2025 and March 31, 2026
Exhibit 4 - Comparative Consolidated Statements of Cash Flows as of March 31, 2025 and March 31, 2026
Exhibit 5 - Notes to Interim Financial Statements
Exhibit 6 - Management's Discussion and Analysis of Results of Operations and Financial Condition

Item 2. Aging of Accounts Receivable as of March 31, 2026

Please refer to Exhibit 7 hereof.

Item 3. Schedule of Financial Soundness Indicators

Please refer to Exhibit 8 hereof.

PART II – OTHER INFORMATION

The Company is not in possession of information which has not been previously reported in a report on SEC Form 17-C and with respect to which a report on SEC Form 17-C is required to be filed.

SIGNATURE

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.

EMPIRE EAST LAND HOLDINGS, INC.
Issuer

By: Lino P. Victorioso, Jr.
LINO P. VICTORIOSO, JR.
Chief Financial Officer and
Chief Information Officer
April 29, 2026

EXHIBIT 1

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
INTERIM CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2026 and DECEMBER 31, 2025
(Amounts in thousand Philippine Pesos)

		March 31, 2026 ***(Unaudited)***		December 31, 2025 *(Audited)*
A S S E T S				
CURRENT ASSETS				
Cash and cash equivalents	**P**	**2,379,767**	P	2,282,600
Trade and other receivables - net		**9,881,379**		9,643,608
Contract assets		**2,562,984**		1,936,197
Advances to related parties		**5,931,738**		5,856,816
Real estate inventories		**21,261,340**		21,397,205
Prepayments and other current assets		**1,402,203**		1,343,271
Total Current Assets		**43,419,411**		42,459,697
NON-CURRENT ASSETS				
Trade and other receivables - net		**4,453,988**		4,417,535
Contract assets		**255,069**		535,063
Financial asset at fair value through other comprehensive income (FVOCI)		**1,011,148**		922,194
Advances to landowners and joint ventures		**258,051**		258,051
Investment in an associate		**281,315**		281,162
Property and equipment - net		**201,647**		204,230
Intangible assets - net		**20,285**		21,838
Investment property - net		**548,938**		552,825
Other non-current assets		**277,066**		277,066
Total Non-current Assets		**7,307,507**		7,469,964
TOTAL ASSETS	**P**	**50,726,918**	P	49,929,661

		March 31, 2026 *(Unaudited)*		December 31, 2025 *(Audited)*
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Interest-bearing loans and borrowings	**P**	**200,000**	P	200,000
Trade and other payables		**2,663,926**		2,348,399
Customers' deposits		**4,596,598**		4,605,930
Advances from related parties		**6,496,817**		6,421,831
Contract liabilities		**179,710**		164,617
Other current liabilities		**1,775,537**		1,646,637
Total Current Liabilities		**15,912,588**		15,387,414
NON-CURRENT LIABILITIES				
Interest-bearing loans and borrowings		**200,000**		250,000
Contract liabilities		**8,393**		35,218
Retirement benefit obligation		**232,214**		233,179
Deferred tax liabilities - net		**1,990,399**		1,990,399
Total Non-current Liabilities		**2,431,006**		2,508,796
Total Liabilities		**18,343,594**		17,896,210
EQUITY				
Equity attributable to the Parent Company's shareholders		**29,614,835**		29,263,323
Non-controlling interest		**2,768,489**		2,770,128
Total Equity		**32,383,324**		32,033,451
TOTAL LIABILITIES AND EQUITY	**P**	**50,726,918**	P	49,929,661

EXHIBIT 2

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
INTERIM CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2026 and 2025
(All amounts in thousand Philippine Peso, except earnings per share)
(Unaudited)

	Jan to March 2026	Jan to March 2025
REVENUES		
Real estate sales	**P 1,205,373**	P 1,205,188
Finance income	**103,553**	218,895
Equity share in net earnings of an associate	**153**	215
Commissions and other income	**291,452**	121,709
	1,600,531	1,546,007
COST AND EXPENSES		
Cost of real estate sales	**656,715**	682,794
Finance costs	**77,946**	114,746
Operating expenses	**513,824**	405,831
Income taxes	**91,127**	88,426
	1,339,612	1,291,797
NET PROFIT	**260,919**	254,210
OTHER COMPREHENSIVE LOSSES		
Fair value gains (losses) on financial assets at FVOCI	**88,954**	(328,792)
TOTAL COMPREHENSIVE INCOME (LOSS)	**P 349,873**	(74,582)
Net profit (loss) attributable to:		
Parent Company's shareholders	**262,558**	255,960
Non-controlling interest	**(1,639)**	(1,750)
	260,919	254,210
Total comprehensive income (loss) attributable to:		
Parent Company's shareholders	**351,512**	(72,832)
Non-controlling interest	**(1,639)**	(1,750)
	349,873	(74,582)
Earnings Per Share - Basic and Diluted	**0.018**	0.017

EXHIBIT 3

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
INTERIM CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2026 and 2025
(Amounts in thousand Philippine Pesos)
(Unaudited)

			March 31, 2026			March 31, 2025
CAPITAL STOCK	**P**		**14,803,455**	P		14,803,455
ADDITIONAL PAID-IN CAPITAL			**4,307,888**			4,307,888
TREASURY SHARES			**(102,107)**			(102,107)
REVALUATION RESERVES						
Balance at beginning of period		**164,530**			259,449	
Net unrealized fair value gains (losses) on financial assets at FVOCI		**88,954**			(328,792)	
Balance at end of period			**253,484**			(69,343)
OTHER RESERVES			**(292,118)**			(292,118)
RETAINED EARNINGS			**10,644,233**			9,833,832
NON-CONTROLLING INTEREST			**2,768,489**			2,775,681
TOTAL EQUITY	**P**		**32,383,324**	P		31,257,288

EXHIBIT 4

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
INTERIM CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 and 2025
(Amounts in thousand Philippine Pesos)
(Unaudited)

	March 31, 2026	March 31, 2025
CASH FLOWS FROM OPERATING ACTIVITIES		
Income before tax	**P 352,046**	P 342,636
Adjustments for:		
Depreciation and amortization	**11,718**	9,832
Finance costs	**77,946**	114,746
Finance income	**(103,553)**	(218,895)
Equity share in net earnings of an associate	**(153)**	(215)
Operating income before working capital changes	**338,004**	248,104
Net changes in operating assets and liabilities		
Increase in current and non-current assets	**(555,589)**	(402,612)
Increase in current and non-current liabilities	**428,725**	90,494
Cash from (used in) operations	**211,140**	(64,014)
Interest received	**12,778**	12,743
Cash paid for income taxes	**(73,382)**	(2,663)
Net Cash From (Used In) Operating Activities	**150,536**	(53,934)
CASH FLOWS FROM INVESTING ACTIVITIES	**5,918**	6,109
CASH FLOWS USED IN FINANCING ACTIVITIES	**(59,287)**	(73,229)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	**97,167**	(121,054)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	**2,282,600**	2,863,879
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**P 2,379,767**	P 2,742,825

EXHIBIT 5

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025
(Amounts in Philippine Pesos)

1. CORPORATE INFORMATION

Empire East Land Holdings, Inc. (the Company) was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on July 15, 1994, primarily to engage in the business of real estate development, mass community housing, townhouses and row houses development. The Company is presently engaged in the development and marketing of mid-cost housing projects in the form of condominium communities, subdivision lots and house and lot packages, and commercial units to a limited extent. The Company also leases out commercial and industrial properties.

The shares of common stock of the Company are listed at the Philippine Stock Exchange (PSE).

1.1 Composition of the Group

As of March 31, 2026, the Company holds ownership interests in the following entities:

Subsidiaries/ Associates	Explanatory Notes	Percentage of Ownership
Subsidiaries:		
Eastwood Property Holdings, Inc. (EPHI)	(a)	100%
Valle Verde Properties, Inc. (VVPI)	(b)	100%
Sherman Oak Holdings, Inc. (SOHI)	(b)	100%
Empire East Communities, Inc. (EECI)	(c)	100%
20th Century Nylon Shirt Co., Inc. (20th Century)	(d)	100%
Laguna BelAir Science School, Inc. (LBASSI)	(e)	72.50%
Sonoma Premier Land, Inc. (SPLI)	(b)	60%
Pacific Coast Megacity, Inc. (PCMI)	(f)	40%
Associate –		
Gilmore Property Marketing Associate, Inc. (GPMAI)	(b)	47.37%

Explanatory Notes:

(a) Subsidiary incorporated to market real estate properties of the Group and other related parties.
(b) Subsidiaries/associate incorporated in prior years but have not yet started commercial operations as of March 31, 2026.
(c) Subsidiary incorporated in 2008 but ceased its operations as a marketing arm of real estate properties in 2014.
(d) Subsidiary acquired in 2015 which is yet to resume its operations, which is primarily to manufacture, distribute, and buy and sell wearing apparel and its accessories such as zipper, buttons, etc.
(e) Subsidiary primarily engaged in operating a school for primary and secondary education. In 2022, the subsidiary ceased its operations.
(f) Subsidiary of the Company starting 2018 when the Company obtained de facto control over the entity and was accounted for under the pooling-of-interest method

The registered office address, which is also the principal place of the Company and its subsidiaries and associates, except for EPHI, LBASSI, and PCMI, is located at 2nd Floor, The Paddington Place, 632 Shaw Boulevard, Barangay Highway Hills, Mandaluyong City. Below is the summary of the registered office address of the other subsidiaries, which is also the principal place of business.

(a) EPHI – #188 EC Information Center, E. Rodriguez Jr. Ave., Eastwood CyberPark City, Bagumbayan, Quezon City
(b) LBASSI – Laguna Bel-Air Subdivision, Brgy. Don Jose, Sta. Rosa, Laguna
(c) PCMI – 7th Floor, 1880 Building Eastwood City Cyberpark, 188 E. Rodriguez Jr. Ave. Bagumbayan, Quezon City

In prior years, the Company increased its ownership interest in VVPI and LBASSI, resulting in 100.00% and 72.50% ownership interest, respectively, over the respective subsidiaries. This resulted in the recognition of goodwill which amounted to P78.3 million. In 2023, the Group has recognized an impairment loss on goodwill related to LBASSI amounting to P77.3 million. The remaining goodwill which arose from the acquisition of VVPI amounted to P1.0 million as of both March 31, 2026 and December 31, 2025, is shown as part of Intangible Assets – net account in the consolidated statements of financial position.

Megaworld Corporation (Megaworld or Parent Company) is the parent company of Empire East Land Holdings, Inc. and subsidiaries (the Group). Megaworld is presently engaged in property-related activities, such as, project design, construction and property management. Megaworld is 54.16% owned by Alliance Global Group, Inc. (AGI), the Company's Ultimate Parent Company. AGI is a holding company with diversified investments in food and beverage, real estate, tourism-entertainment and gaming and quick service restaurant businesses. The shares of common stock of both Megaworld and AGI are also listed at the PSE.

Megaworld's registered office address is located on 30th Floor, Alliance Global Tower, 36th Street cor. 11th Avenue, Uptown Bonifacio, Taguig City. AGI's registered office is located at 7th Floor, 1880 Eastwood Avenue, Eastwood City CyberPark, 188 E. Rodriquez Jr. Avenue, Bagumbayan, Quezon City. These entities' registered office addresses are also their respective principal places of business.

2. BASIS OF PREPARATION OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These interim consolidated financial statements of the Group for the three months ended March 31, 2026 and 2025 have been prepared in accordance with Philippine Accounting Standard (PAS) 34: Interim Financial Reporting. These do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements of the Group as at and for the year ended December 31, 2025. The interim consolidated financial statements have been prepared using the measurement bases specified by the Philippine Financial Reporting Standards (PFRS).

The preparation of interim consolidated financial statements in accordance with PFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

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

Items included in the interim 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.

3. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of the Group's interim consolidated financial statements in accordance with PFRS requires management to make judgments and estimates that affect amounts reported in the interim 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 Judgments in Applying Accounting Policies

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

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

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 and the renewal of the contract is not subject to mutual agreement of both parties.

The renewal and termination option for the lease of office space was not included as part of the lease term due to the provisions in its contract that require mutual agreement of both parties on the terms and agreements of the renewal and termination of the lease contract.

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.

(b) Determining Existence of a Contract with Customer

In a sale of real estate properties, the Group's primary document for a contract with a customer is a signed contract to sell which is executed when the real estate property sold is completed and ready for use by customer. In 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 down payment in relation to the total contract price.

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.

(c) Evaluation of 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 factors enumerated below.

- 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 inventories is satisfied over time, while its performance obligation for completed real estate inventories is satisfied at a point in 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. Furthermore, 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.

(ii) Marketing, Management Fees and Commission

The Group determines that its revenue from marketing, management fees and commission 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.

(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 judgement 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) Estimation of Collection Threshold for Revenue Recognition

The Group uses judgment in evaluating the probability of collection of contract price on real estate sales as a criterion for revenue recognition. The Group uses historical payment pattern of customers in establishing a percentage of collection threshold over which the Group determines that collection of total contract 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 expected credit losses (ECL) for Trade Receivables, Contract Assets and other receivables. The provision rates are based on days past due for groups of various customer segments that have similar loss patterns (i.e., projects and customer type).

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 Notes 9.2.

(g) Distinction Among Investment Property and Owner-managed Properties

The Group determines whether a property qualifies as Investment Property or Property and Equipment. In making its judgment, the Group considers whether the property generates cash flows largely independent of the other assets held by an entity. Owner-occupied properties generate cash flows that are attributable not only to the property but also to other assets used in the production or supply process while land held for future development are properties intended solely for future development and sale.

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 property only if an insignificant portion is held for administrative purposes. Judgment is applied in determining whether ancillary services are so significant that a property does not qualify as Investment Property. The Group considers each property separately in making its judgment.

Based on management's assessment, properties held for lease and for capital appreciation qualifies as Investment Property.

(h) Distinction Between Real Estate Inventories and Investment Property

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

(i) Distinction Between Operating and Finance Leases

The Group has entered into various lease agreements as either a lessor or lessee. 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's assessment, all of the Group's lease agreements are classified as operating leases.

Distinction between operating and finance leases is applicable only to lease agreements as a lessor. All leases entered into as a lessee, except for those qualified under the optional exemptions as provided by the standard, are required to be recognized on-balance sheet.

(j) Consolidation of Entities in which the Group Holds 50% or Less

Management considers that the Group has de facto control over PCMI even though it holds less than 50% of the ordinary shares and voting rights in that subsidiary. The Group considers its ability to exercise control over these entities through voting rights held by its subsidiaries or through interlocking directors.

(k) Recognition of Provisions and Contingencies

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

Where the possible outflow of economic resources 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 interim consolidated financial statements. Similarly, possible inflows of economic benefits to the Group that does not yet meet the recognition criteria of an asset are considered contingent assets; hence, are not recognized in the interim consolidated 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.

Judgement is exercised by management to distinguish between provisions and contingencies.

3.2 Key Sources of Estimation Uncertainty

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

(a) Revenue Recognition for Performance Obligation 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 obligations. 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 applies changes as necessary. A significant change in estimated costs would result in a significant change in the amount of revenue recognized in the year of change.

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

In the sale of real estate properties, the transaction price is recognized at the present value of the instalment 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.

(c) 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 counterparties defaulting and the resulting losses).

(d) Determination of Net Realizable Value of Real Estate Inventories

In determining the net realizable value of real estate inventories, management takes into account the most reliable evidence available at the 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 uncertainty and may cause significant adjustments to the Group's inventories within the next reporting period.

Considering the Group's pricing policy, the net realizable value of the Real Estate Inventories is higher than their related carrying values as of the end of the reporting periods.

(e) Estimation of Useful Lives of Property and Equipment, Intangible Assets, and Investment Properties

The Group estimates the useful lives of Property and Equipment, Intangible Assets, and Investment Properties based on the period over which the assets are expected to be available for use. The estimated useful lives of these assets are reviewed periodically and are updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the assets.

Based on management's assessment as at March 31, 2026 and December 31, 2025, there is no change in estimated useful lives of Property and Equipment, Intangible Assets and Investment Properties during those periods. Actual results, however, may vary due to changes in estimates brought about by changes in the factors mentioned above.

(f) 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 balance of deferred tax assets recognized as at March 31, 2026 and December 31, 2025 will be utilized in the succeeding years.

(g) Impairment of Goodwill and Other Non-financial Assets

Goodwill is reviewed annually for impairment while other non-financial assets are tested whenever certain impairment indicators become present. In assessing impairment, the management estimates the recoverable amount of each asset or a cash-generating unit based on expected future cash flows and uses an interest rate to calculate the present value of those cash flows. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

On March 17, 2021, the Group submitted a letter to the Department of Education Sta. Rosa City Division Office regarding the cessation of the operations of LBASSI taking effect after school year 2021-2022. On October 20, 2022, LBASSI filed for the certificate of clearance with the BIR Revenue District Office No. 057, Biñan, West Laguna.

In 2023, LBASSI retracted its filed application for the certificate of clearance with BIR. LBASSI will remain as a non-operating entity until such time that it ventures again into business.

Based on management's assessment, impairment loss amounting to Php 77.3 million on goodwill has been recognized since the recoverable amount of the cash generating units is less than their carrying amount in 2023.

No impairment losses were recognized on Advances to Landowners and Joint Ventures, Investment in an Associate, Property and Equipment, Intangible Assets, Investment Properties, and other non-financial assets as at March 31, 2026 and December 31, 2025.

(h) Valuation of Post-employment Defined Benefit

The determination of the Group's obligation and cost of post-employment benefit is dependent on the selection of certain assumptions used by an actuary in calculating such amounts. Those assumptions include, among others, discount rates and salary increase rate. 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.

(i) Determination of Fair Value of Investment Properties

Investment properties are measured using the cost model. The Group determines the fair values of building and building improvements using either the discounted cash flows valuation technique (income approach) or market-based valuation technique (market approach). 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, the Company determines the fair value 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 INFORMATION

4.1 Business Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Group's chief operating decision-maker who is responsible for allocating resources and assessing performance of the operating 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 and marketing of mid-cost housing projects in the form of condominium communities, subdivision lots and house and lot packages, and commercial units to a limited extent. It classifies and monitors its projects into high-rise and horizontal. High-rise projects refer to condominiums and other medium scale properties while the horizontal projects refer to house and lot packages, and subdivision lots. Both are intended for middle income market.

The measurement policies the Group uses for segment reporting under PFRS 8, Operating Segments, are the same as those used in its consolidated financial statements, except that post-employment benefit expense is not included in arriving at the operating profit of the operating segments.

There have been no changes from prior periods in the measurement methods used to determine reported segment profit or loss.

4.2 Segment Assets and Liabilities

Segment assets include all operating assets used by a segment and consist principally operating Receivables, Contract Assets and Real Estate Inventories. Excluded from segment assets are Cash and Cash Equivalents, Advances to Related Parties, Prepayments, Advances to Landowners and Joint Ventures, Investments in an Associate, Property and Equipment, Intangible Assets, Investment Properties and other assets which are considered corporate assets and are not allocated to any segment's assets.

Segment liabilities include all operating liabilities incurred by management in each particular segment and consist principally of Contract Liabilities and Customers' Deposits. Excluded from segment liabilities are Interest-bearing Loans and Borrowings, Trade and Other Payables, Advances from Related Parties, Deferred Tax Liabilities and Retirement Benefit Obligation as the Group's management determined that these accounts are not directly related to the Group's segment.

4.3 Intersegment Transactions

There are no intersegment transactions. In case of inter-segment sales and transfers, the Group generally accounts for them as if the sales or transfers were made to third parties at current market prices. Intersegment sales and transfers, if any, are eliminated in the preparation of the interim consolidated financial statements.

4.4 *Analysis of Segment Information*

The tables presented below present the revenue and profit information for the three months ended March 31, 2026 and 2025, and certain asset and liability information regarding segments as at March 31, 2026 and December 31, 2025.

	High Rise Projects		Horizontal Projects		Total	
	March 31, 2026	March 31, 2025	**March 31, 2026**	March 31, 2025	**March 31, 2026**	March 31, 2025
REVENUES						
Real estate sales	**P 1,202,213,743**	P 1,200,922,816	**P 3,159,743**	P 4,264,735	**P 1,205,373,486**	P 1,205,187,551
Finance income	**28,499,599**	90,074,038	**207,055**	1,049,867	**28,706,654**	91,123,905
Rental income	**3,397,409**	3,350,917	**-**	-	**3,397,409**	3,350,917
Commission and other income	**245,566,258**	68,774,108	**6,068,057**	3,263,941	**251,634,315**	72,038,049
Total Revenues	**1,479,677,009**	1,363,121,879	**9,434,855**	8,578,543	**1,489,111,864**	1,371,700,422
COSTS AND OPERATING EXPENSES						
Cost of real estate sales	**652,783,613**	680,394,366	**3,931,772**	2,399,487	**656,715,385**	682,793,853
Operating expenses	**302,341,787**	247,795,603	**10,078,952**	5,071,484	**312,420,739**	252,867,087
	955,125,400	928,189,969	**14,010,724**	7,470,971	**969,136,124**	935,660,940
SEGMENT OPERATING PROFIT	**P 524,551,609**	P 434,931,910	**P (4,575,869)**	P 1,107,572	**P 519,975,740**	P 436,039,482

	High Rise Projects		Horizontal Projects		Total	
	March 31, 2026	December 31, 2025	**March 31, 2026**	December 31, 2025	**March 31, 2026**	December 31,2025
SEGMENT ASSETS AND LIABILITIES						
Segment assets	**26,819,610,229**	26,503,316,795	**6,564,544,381**	6,594,977,070	**33,384,154,610**	33,098,293,865
Segment liabilities	**4,670,410,904**	4,675,451,346	**366,892,533**	365,201,361	**5,037,303,437**	5,040,652,707

4.5 Reconciliations

Presented below is a reconciliation of the Group's segment information to the key financial information presented in its interim consolidated financial statements.

		March 31, 2026		March 31, 2025
Revenues				
Total segment revenues	**P**	**1,489,111,864**	P	1,371,700,422
Other unallocated revenues		**111,418,954**		174,306,002
Revenues as reported in the interim consolidated statements of comprehensive income	**P**	**1,600,530,818**	P	1,546,006,424
Profit or loss				
Segment operating profit	**P**	**519,975,740**	P	436,039,482
Other unallocated income		**111,418,954**		174,306,002
Other unallocated expenses		**(370,475,342)**		(356,135,813)
Net profit as reported in the interim consolidated statements of comprehensive income	**P**	**260,919,352**	P	254,209,671

		March 31, 2026		December 31, 2025
Assets				
Segment Assets	**P**	**33,384,154,610**	P	33,098,293,865
Unallocated Assets		**17,342,763,281**		16,831,367,566
Total assets as reported in the interim consolidated statements of financial position	**P**	**50,726,917,891**	P	49,929,661,431
Liabilities				
Segment Liabilities	**P**	**5,037,303,437**	P	5,040,652,707
Unallocated Liabilities		**13,306,289,948**		12,855,557,569
Total liabilities as reported in the interim consolidated statements of financial position	**P**	**18,343,593,385**	P	17,896,210,276

5. EQUITY

5.1 Capital Stock

Capital stock as of March 31, 2026 and December 31, 2025 consists of:

	No. of Shares		Amount
Common shares – P1 par value			
Authorized	31,495,200,000	P	31,495,200,000
Issued	14,803,455,238	P	14,803,455,238
Treasury shares – at cost	(127,256,071)		(102,106,658)
Total outstanding	14,676,199,167		14,701,348,580
Preferred shares – P1 par value			
Authorized	2,000,000,000	P	2,000,000,000

Megaworld has 81.73% ownership interest in the Group as of March 31, 2026 and December 31, 2025.

The Series B preferred shares are nonredeemable, convertible into common shares and are nonvoting. The shares have zero coupon rates and shall not be entitled to dividends. The Series B preferred shares shall be convertible to common shares any time after the end of the 18 months from the implementation date, May 29, 1998, as defined in the subscription agreements. There are no subscribed and issued preferred shares as of March 31, 2026 and December 31, 2025.

On April 24, 1996, the SEC approved the listing of the Group's shares totaling 425,000,000. The shares were issued at an offer price of Php 12.90 per share.

5.2 Additional Paid-in Capital

The additional paid-in capital (APIC) pertains to the excess of the total proceeds received from the Group's shareholders over the total par value of the common shares. There were no movements in the Group's APIC accounts for the end of the reporting periods.

5.3 Treasury Stock

On March 23, 2006, the Company's BOD authorized the buy-back of up to Php 1.0 billion worth of Group's shares of common stock within a 24-month period under certain terms and conditions as the Group's senior management may deem beneficial to the Group and its stockholders.

As of March 31, 2026, and December 31, 2025, the Group's treasury shares amounted to Php 102.1 million, representing the cost of 127,256,071 shares reacquired by the Company.

5.4 Revaluation Reserves

Revaluation reserves of the Group are composed of re-measurements on its retirement benefit obligation and fair value movements of the Group's financial assets at FVOCI.

5.5 Other Reserves

Other reserves of the Group pertain to the difference between the fair value of consideration paid and the relevant share in the carrying value of the net assets of PCMI as a result of obtaining de facto control over PCMI in 2018 and any subsequent change in ownership interest in the subsidiary.

5.6 Retained Earnings

Retained earnings are restricted in the amount of Php 102.1 million representing the cost of 127,256,071 shares held in treasury as of the end of the reporting periods.

6. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profits attributable to Parent Company's shareholders divided by the weighted average number of shares in issue during the period.

Basic and diluted earnings per share amounts were computed as follows:

		March 31, 2026		March 31, 2025
Net profit attributable to Parent Company's shareholders	**P**	**262,558,780**	P	255,960,212
Number of issued and outstanding common shares		**14,676,199,167**		14,676,199,167
Basic and diluted earnings per share	**P**	**0.018**	P	0.017

Diluted earnings per share equal the basic earnings per share since the Group does not have dilutive shares as of March 31, 2026 and 2025.

7. COMMITMENTS AND CONTINGENCIES

There are commitments, guarantees, and contingent liabilities that arise in the normal course of operations of the Group, which are not reflected in the accompanying unaudited interim consolidated financial statements. The management of the Group is of the opinion that losses, if any, from these items will not have any material effect on its interim consolidated financial statements, taken as a whole.

In addition, there are no material off-balance sheet transactions, arrangements, obligations and other relationship of the Group with unconsolidated entities or other persons created during the reporting period.

8. SEASONAL FLUCTUATIONS

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

9. RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to a variety of financial risks which result from its operating, investing, and financing activities. Risk management is carried out by a central treasury department under policies approved by the BOD, and focuses on actively securing the Group's short to medium-term cash flows by minimizing the exposure to financial markets. Long-term financial investments are managed to generate lasting returns. The Group does not engage in the trading of financial assets for speculative purposes nor does it write options. The financial risks to which the Group is exposed to are described in the succeeding pages.

9.1 Market Risk

The Group is exposed to market risk through its use of financial instruments and specifically to foreign currency risk, and interest rate risk which results from both its operating, investing and financing activities.

(a) Foreign Currency Risk

There is no significant exposure to foreign currency risks since most of the Group's transactions are denominated in Philippine peso, which is its functional currency. The Group's financial asset denominated in foreign currency only pertains to Cash and Cash Equivalents. However, the amount is insignificant to the financial statements as of March 31, 2026 and December 31, 2025. The Group has no financial liabilities denominated in foreign currency.

(b) Interest Rate Risk

The Group's policy is to minimize interest rate cash flow risk exposures on long-term financing. Long-term borrowings are therefore usually obtained and negotiated at fixed rates. However, as of March 31, 2026 and December 31, 2025, the Group has an outstanding long-term loan with a variable interest rate.

As of March 31, 2026 and December 31, 2025, the Group is only exposed to changes in market interest through its Cash and Cash Equivalents and long-term borrowings, which are deemed by management to be not significant.

All other financial assets and liabilities have either short-term maturities, noninterest-bearing or are subject to fixed rates (e.g. related party advances).

(c) Other Price Risk

The Group's market price risk arises from its investments carried at fair value (classified as financial assets at FVOCI). It manages its risk arising from changes in market price by monitoring the changes in the market price of the investments.

For equity securities listed in the Philippines, the observed volatility rates of the fair values of the Group's investment held at fair value is determined based on the average market volatility in quoted prices, using standard deviation, estimated at 99% level of confidence. An average volatility of 6.8% and 8.14% has been observed during the period ending March 31, 2026 and December 31, 2025, respectively. The impact on the Group's interim consolidated other comprehensive income and interim consolidated equity would have increased or decreased by Php 68.5 million and Php 56.3 million as at March 31, 2026 and December 31, 2025, respectively.

The investments in quoted equity securities are considered long-term strategic investments. In accordance with the Group's policies, no specific hedging activities are undertaken in relation to these investments. The investments are continuously monitored and voting rights arising from these equity instruments are utilized in the Group's favor.

The Group is not subject to commodity price risk.

9.2 Credit Risk

The maximum credit risk exposure of the Group is the carrying amount of the financial assets and contract assets as shown on the face of the interim consolidated statements of financial position (or in the detailed analysis provided in the notes to the interim consolidated financial statements), as summarized below and in the succeeding page.

		March 31, 2026		December 31, 2025
Cash and cash equivalents	**P**	**2,379,766,599**	P	2,282,600,494
Trade and other receivables – net (excluding advances to suppliers and contractors, and advances to condominium associations)		**11,148,956,151**		11,127,408,265
Contract assets		**2,818,053,300**		2,471,259,774
Advances to related parties		**5,931,738,197**		5,856,815,689
	P	**22,278,514,247**	P	21,738,084,222

None of the Group's financial assets are secured by collateral or other credit enhancements, except for Cash and Cash Equivalents, and Trade Receivables, as described below and in the succeeding page.

(a) Cash and Cash Equivalents

The credit risk for Cash and Cash Equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Included in the Cash and Cash Equivalents are cash in banks and short-term placements which are insured by the Philippine Deposit Insurance Corporation up to a maximum coverage of Php 1.0 million for every depositor per banking institution.

(b) Trade and Other Receivables and Contract Assets

Trade and other receivables (excluding Advances to suppliers and contractors and advances to condominium associations) and contract assets are subject to credit risk exposure. The Group, however, does not identify specific concentrations of credit risk with regard to Trade Receivables and Contract Assets, as the amounts recognized resemble a large number of receivables from various customers. The Group also retains the titles to the property until such time that the trade receivables are fully collected. Repossessed properties are offered for sale to other customers.

Credit risk of receivables 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. An impairment analysis is performed at each reporting date using a provision matrix to measure ECL. 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 Group considers trade receivables in default when contractual payments 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 which may extend the definition of default to 90 days and beyond. 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 in to account any credit enhancements held by the Group.

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, expected loss given default is nil as the recoverable amount from subsequent resale of the real estate is sufficient.

Other components of receivables such as rental receivables and others are also evaluated by the Group for impairment and assessed that no ECL should be provided. A significant portion of the Group's rental receivables are from Megaworld, wherein the impairment of receivables is assessed using the latter's ability to pay. The remaining rental receivables are secured to the extent of advance rental and rental deposit received from the lessees, which are on average equivalent to six months.

Some of the unimpaired trade receivables and other receivables, which are mostly related to real estate sales, are past due as at the end of the reporting period. The trade receivables that are past due but not impaired are as follows:

		March 31, 2026		December 31, 2025
Not more than three months	**P**	**337,733,239**	P	407,112,189
More than three months but not more than six months		**394,628,516**		522,837,348
More than six months but not more than one year		**579,774,021**		751,324,807
More than one year		**356,337,117**		290,480,861
	P	**1,668,472,893**	P	1,971,755,205

(c) Advances to Related Parties and Rent Receivable and Management Fee Receivable from Related Parties

ECL for Advances to Related Parties, including rent and management fee receivables, are measured and recognized using the liquidity approach. Management determines possible impairment based on the related parties' ability to repay the advances upon demand at the reporting date taking into consideration the historical defaults from the related parties.

The Group does not consider any significant risks in the advances to other related parties with financial difficulty since Megaworld, whose credit risk for liquid funds is considered negligible, have committed to financially support these related parties as part of AGI and its long-term corporate strategy. As of March 31, 2026 and December 31, 2025, the aggregate impairment allowance on balances from Megaworld and other related parties is identified to be not material.

The Group continuously monitors defaults of customers and other counterparties, identified either individually or by group, and incorporates this information into its credit risk controls. The Group's policy is to deal only with creditworthy counterparties.

The Group's management considers that all the above financial assets that are not impaired for each of the reporting dates are of good credit quality, including those that are past due.

9.3 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 basis, as well as on the basis of a rolling 30-day projection. Long-term liquidity needs for 6-month and one-year periods 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. 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 at March 31, 2026 and December 31, 2025, the Group's financial liabilities have contractual maturities which are presented below.

	Within 12 months		After 12 months	
March 31, 2026				
Interest-bearing loans and borrowings	**P**	**220,361,000**	**P**	**210,180,500**
Trade and other payables		**2,536,612,684**		**-**
Advances from related parties		**6,496,816,664**		**-**
Other current liabilities		**1,786,942,210**		**-**
	P	**11,040,732,558**	**P**	**210,180,500**
December 31, 2025				
Interest-bearing loans and borrowings	P	227,112,500	P	263,556,250
Trade and other payables		2,223,165,768		-
Advances from related parties		6,575,514,789		-
Other current liabilities		1,634,875,885		-
	P	10,660,668,942	P	263,556,250

The contractual maturities reflect the gross cash flows, which may differ from the carrying values of the liabilities at the end of each reporting period.

10. FAIR VALUE MEASUREMENT AND DISCLOSURES

10.1 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, are categorized into three levels based on the significance of inputs used to measure the fair value. The fair value hierarchy is shown below and in the succeeding page.

- 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 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.

For investments which do not have quoted market price, the fair value is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market of another instrument which is substantially the same after taking into account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

10.2 Financial Instruments Measured at Fair Value

As of March 31, 2026 and December 31, 2025, only the equity securities classified as financial assets at FVOCI in the interim consolidated statements of financial position is classified as Level 1. These securities were valued based on their market prices quoted in the PSE at the end of each reporting period. There were no other financial assets measured at fair value on these dates. Furthermore, the Group has no financial liabilities measured at fair value as of March 31, 2026 and December 31, 2025. There were no transfers between Levels 1 and 2 in both years.

10.3 Financial Instruments Measured at Amortized Cost for which Fair Value is Disclosed

Management considers that due to the short duration of these financial assets (except long-term receivables) and financial liabilities (except long-term interest-bearing loans) measured at amortized cost, their carrying amounts as of March 31, 2026 and December 31, 2025 approximate their fair value. Except for Cash and Cash Equivalents which are classified under Level 1, all other financial instruments are classified under Level 3 wherein inputs are not based on observable data.

The fair values of the financial assets and financial liabilities included in Level 3 which are not traded in an active market is determined by using generally acceptable pricing models and valuation techniques or by reference to the current market value of another instrument which is substantially the same after taking in to account the related credit risk of counterparties, or is calculated based on the expected cash flows of the underlying net asset base of the instrument.

When the Group uses valuation technique, it maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates. If all significant inputs required to determine the fair value of an instrument are observable, the instrument is included in Level 2. Otherwise, it is included in Level 3.

10.4 Fair Value Measurement of Non-Financial Assets

The fair value of the Group's investment properties earning rental income was determined through discounted cash flows valuation technique done by a professionally qualified independent appraiser for one of the properties, and by management for the rest of the other investment properties. The Group uses assumptions that are mainly based on market conditions existing at 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 based on current market rentals for similar properties in the same location and condition.

11. CAPITAL MANAGEMENT OBJECTIVES, POLICIES AND PROCEDURES

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Capital components for cost of capital purposes include loans and borrowings, preferred stock, common equity and retained earnings. The Group may issue new shares and may prepay some of its interest-bearing loans. Furthermore, it intends to allocate its earnings and available cash in the acquisition and development of new/existing properties to ensure continuous business activities.

The Group monitors its capital gearing by measuring the ratio of interest-bearing loans and borrowings to total capital. The Group has complied with its covenant obligations, including maintaining the required debt-to-equity ratio as of March 31, 2026 and December 31, 2025.

EXHIBIT 6

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

For the three-month period ending March 31, 2026, the following are the top key performance indicators of the Group:

1) **Real Estate Sales**

   The Group's marketing and development concepts, sales strategies, project location and flexible payment scheme remain to be its competitive advantages. Most projects of the Group are connected to mass transit system and are conveniently located in business districts of Metro Manila.

2) **Prudent Cash Management**

   The Group continued to implement cost-saving measures and negotiate for longer payment terms with both existing and new suppliers. Strict monitoring of cash outflows is also being continually observed, and any excess cash from operations is being placed in short-term investments.

3) **Ability to Repay Loan Obligations**

   The loan obligations were promptly settled. The Group maintains a good credit standing with creditor banks and has considerable standby credit facilities, which can be utilized for urgent capital requirements.

4) **Continuous Customer Collections**

   The Group continues to innovate and implement collection efficiency initiatives, some of which are the various online payment platforms that enable clients to continually make payments with ease. The Group is also in partnership with a wide network of banks to provide clients with more convenient payment options.

RESULTS OF OPERATIONS

(Based on Financial Statements adopted in accordance with the Philippine Financial Reporting Standards)

Review of March 31, 2026 versus March 31, 2025

During the three-month period, the consolidated net profit amounted to Php 260.92 million, 2.6% higher than the previous year's net profit of Php 254.21 million. Consolidated revenues, composed of real estate sales, finance income, commissions, and other income, increased by 3.5% from Php 1.55 billion in 2025 to Php 1.60 billion in 2026.

Real Estate Sales

The Group reported Real Estate Sales of Php 1.21 billion for the three months ended March 31, 2026 and 2025. The sales were derived from various projects, including The Paddington Place, Mango Tree Residences, The Cambridge Village, Covent Garden, Pioneer Woodlands, California Garden Square, The Sonoma, The Rochester Garden and Greenhills Garden Square.

The Cost of Real Estate Sales amounted to Php 656.72 million in 2026 and Php 682.79 million in 2025, or 54.5% and 56.7% of Real Estate Sales for the three months ended March 31, 2026 and 2025, respectively. The change was primarily due to the different composition of products sold during each period.

Gross Profit was Php 548.66 million in 2026 and Php 522.39 million in 2025, or 45.5% and 43.3% of Real Estate Sales, for the three months ended March 31, 2026 and 2025, respectively. The gross profit margin varies depending on the product mix and the competitiveness of pricing.

Other Revenues

The Finance Income amounted to Php 103.55 million and Php 218.90 million for the three months ended 31 March 2026 and 2025, respectively, and was derived mostly from the significant financing component of buyers' contracts, in-house financing, short-term placements and various advances to related parties, which account for 6.5% and 14.2% of total revenues for 2026 and 2025, respectively.

Additional sources of revenue were commissions from a subsidiary, rentals of investment properties, and those obtained from other sources. Commission and other income totaling Php 291.45 million in 2026 and Php 121.71 million in 2025, representing 18.2% and 7.9% of total revenues for 2026 and 2025, respectively.

Operating Expenses

Operating Expenses posted an increase from Php 405.83 million in 2025 to Php 513.82 million in 2026. Finance Cost posted a decrease from Php 114.75 million in 2025 to Php 77.95 million in 2026.

FINANCIAL CONDITION

Review of March 31, 2026 versus December 31, 2025

Total Assets of the Group as of March 31, 2026 and December 31, 2025 amounted to Php 50.73 billion and Php 49.93 billion, respectively. Cash and Cash Equivalents increased from Php 2.28 billion to Php 2.38 billion as of March 31, 2026 and December 31, 2025, respectively.

The Group remains liquid with Total Current Assets of Php 43.42 billion in 2026 and Php 42.46 billion in 2025, which accounted for 85.6% and 85.0% of the Total Assets as of March 31, 2026 and December 31, 2025, respectively. While Total Current Liabilities amounted to Php 15.91 billion and Php 15.39 billion as of March 31, 2026 and December 31, 2025, respectively.

Total Equity increased from Php 32.03 billion as of December 31, 2025 to Php 32.38 billion as of March 31, 2026 which is a combined effect of the revaluation of equity investments and the net profit for the period.

Consistently, the Group still sources its major working capital requirements from internally generated funds and partly from borrowings.

The Group utilized its funds for the construction and development of projects, loan repayments, settlement of various payables, and other operating expenses.

Material Changes as of March 31, 2026 Interim Consolidated Financial Statements

Statements of Financial Position
(Increase or decrease of 5% or more versus December 31, 2025)

- 14.0% increase in Contract Assets
  Due to the progress in construction activities and sales recognized from uncompleted projects

- 9.6% increase in Financial Asset at FVOCI
  Pertains to the increase in the fair market value of the investment in shares held by a subsidiary

- 7.1% decrease in Intangible Assets
  Pertains to the amortization for the period

- 13.4% increase in Trade and Other Payables
  Primarily due to various payables to suppliers and contractors in relation to full blast construction

- 5.9% decrease in Contract Liability
  Mainly due to the progress in construction of ongoing projects net of collections from customers

- 7.8% increase in Other Current Liabilities
  Mainly due to the portion of contractors' and suppliers' billings retained by the company to ensure compliance with their contract agreements as well as the provision for refund liability recognized during the period as required under R.A. 6552

- 11.1% decrease in Interest-bearing Loans and Borrowings
  Pertains to repayment of loan

- 54.1% increase in Revaluation Reserve
  Pertains to the increase in the fair market value of the financial asset at FVOCI

Statements of Comprehensive Income
(Increase or decrease of 5% or more versus 31 March 2025)

- 52.7% decrease in Finance Income
  Mainly due to the lower interest rate on the outstanding promissory notes

- 29.1% decrease in Equity Share in Net Earnings of an Associate
  Mainly due to the reported net income of an associate for the period

- 139.5% increase in Commissions and other Income
  Due to the increase in revenues from other related sources

- 32.1% decrease in Finance Costs
  Mainly due to the lower interest rate on the outstanding advances to related parties and significant financing component on buyers' contracts

- 26.6% increase in Operating Expenses
  Mainly due to the increase in selling, administrative and other corporate expenses

The Company earmarks P25.0 billion for capital expenditures over the next 5 years and is expected to be funded by collections, borrowings, and other sources.

Fluctuations in the foreign exchange rate had no adverse effect on the Group's financial conditions since the Group has very minimal importations of construction-related materials and no foreign-denominated loans.

There are no other material changes in the Group's financial position and condition (5% or more) that will warrant a more detailed discussion. Likewise, there are no material events or uncertainties known to the management that would have a material impact on reported financial information or the normal operations of the Group.

The nature of all revenues and expenses disclosed in the unaudited interim statements of comprehensive income are business-related transactions that arose from the Group's continuing operations.

There are no material off-statements of financial condition transactions, arrangements, obligations (including contingent obligations), or other relationships of the Group with unconsolidated entities or other persons created during the reporting period.

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

The Group is aggressively marketing its products, especially the new projects. It continuously offers competitive prices, more lenient payment schemes under in-house financing, and strong tie-ups with reputable banks for the financing requirements of its buyers.

EXHIBIT 7

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
ACCOUNTS RECEIVABLE AGING
March 31, 2026
(Amounts in thousand Philippine Pesos)

1) Aging of Accounts Receivable

Type of Receivables	Total	Current / Not Yet Due	1-3 Months	4-6 Months	7 Months - 1 Year	Above 1 Year	Past due accounts & Items in Litigation
a) Trade Receivables	**9,533,894**	**7,865,421**	**337,733**	**394,629**	**579,774**	**356,337**	**-**
b) Other Receivables	**4,801,473**	**4,801,473**	**-**	**-**	**-**	**-**	**-**
Net Receivables	**14,335,367**						

2) Accounts Receivable Description

Type of Receivables	Nature/Description	Collection Period
a) Trade Receivables	Sale of residential units/lots	maximum of 10 years
b) Other Receivables	Advances to contractors/suppliers	1 to 2 years

3) Normal Operating Cycle: 3 to 15 years

EXHIBIT 8

EMPIRE EAST LAND HOLDINGS, INC. AND SUBSIDIARIES
(A Subsidiary of Megaworld Corporation)
SCHEDULE OF FINANCIAL SOUNDNESS INDICATORS
AS AT MARCH 31, 2026 and DECEMBER 31, 2025

	March 31, 2026	December 31, 2025
Current ratio	2.73	2.76
Quick ratio	0.93	0.90
Debt-to-equity ratio	0.57	0.56
Interest-bearing debt to total capitalization ratio	0.01	0.02
Asset-to-equity ratio	1.57	1.56
		March 31, 2025
Interest rate coverage ratio	552%	399%
Net profit margin	16.30%	16.44%
Return on assets	0.52%	0.51%
Return on equity/investment	0.81%	0.81%
Return on equity/investment of owners	0.89%	0.90%

LIQUIDITY RATIOS measure the business' ability to pay short-term debt.
Current ratio - computed as current assets divided by current liabilities
Quick ratio - computed as cash, marketable securities, accounts receivable divided by current liabilitites

SOLVENCY RATIOS measure the business' ability to pay all debts, particularly long-term-debt.
Debt-to-equity ratio-computed as total liabilities divided by total equity.
Interest-bearing debt to total capitalization ratio-computed as interest-bearing debt divided by interest-bearing debt + shareholder's equity attributable to controlling interest.

ASSET-TO-EQUITY RATIOS measure financial leverage and long-term solvency.
It shows how much of the assets are owned by the company. It is computed as total assets divided by total equity.

INTEREST RATE COVERAGE RATIOS measure the business' ability to meet its interest payments.
It is computed as earnings before income tax and interest expense ("EBIT") divided by interest.

PROFITABILITY RATIOS
Net profit margin - computed as net profit divided by total revenues
Return on assets - net profit divided by average total assets
Return on investment - net profit divided by total shareholders' equity
Return on investment of equity owners - net profit attributable to owners of the parent divided by equity attributable to owners of the parent company